

# **EXHIBIT 2**

## Disclaimer

**Notes to the Annual Review 2007** This PDF version of the Unilever Annual Review 2007 is an exact copy of the document provided to Unilever's shareholders. It is a short form document that contains extracts and summaries only of the information given in the Unilever Annual Report and Accounts 2007 ("the Full Report"). The Full Report should be referred to for a fuller understanding of the results and state of affairs of Unilever

The Summary Financial Statement in the Unilever Annual Review 2007 has been examined by our auditors.

The maintenance and integrity of the Unilever website are the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters. Accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially placed on the website.

Legislation in the United Kingdom and the Netherlands governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Disclaimer** Except where you are a shareholder, this material is provided for information purposes only and is not, in particular, intended to confer any legal rights on you.

This Annual Review does not constitute an invitation to invest in Unilever shares. Any decisions you make in reliance on this information are solely your responsibility.

The information is given as of the dates specified, is not updated, and any forward-looking statements are made subject to the reservations specified on page 37 of this Annual Review.

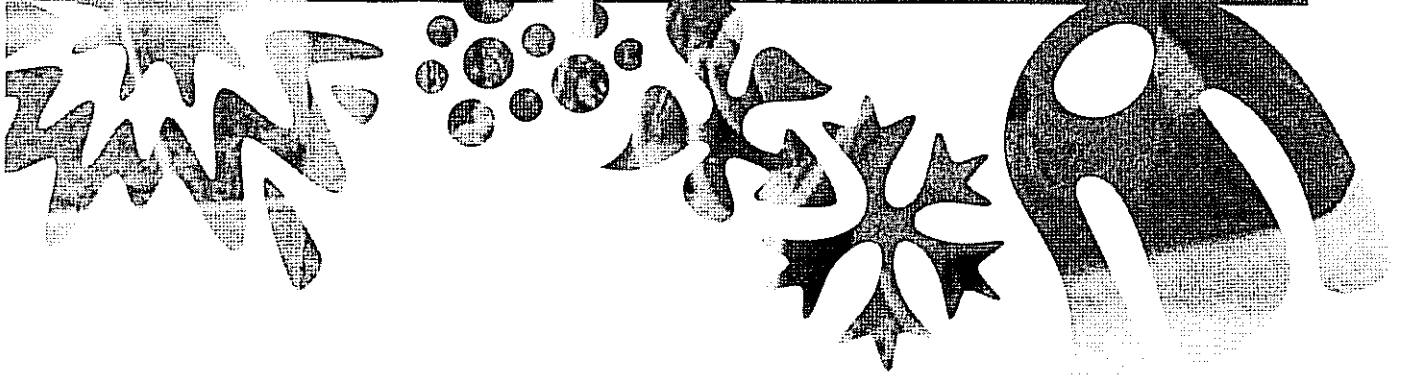
Unilever accepts no responsibility for any information on other websites that may be accessed from this site by hyperlinks.

Annual Review 2007



Unilever

Growing as One



Adding Vitality to life

Who we are

## Growing as One



Unilever made good progress in 2007. Our underlying growth was 5.5% – the third consecutive year of accelerating sales growth.

These results are a tribute to our success in implementing our strategy. We made big strides in each of our key priority areas – the fast-growing markets of Asia, Africa and Latin America; growth in personal care; and a higher proportion of our sales coming from Vitality products.

The success of our One Unilever programme, the introduction of more multi-country organisations and other changes to our operating model have streamlined the business, simplified decision making and made Unilever a leaner, fitter, more responsive company.



## Who we are

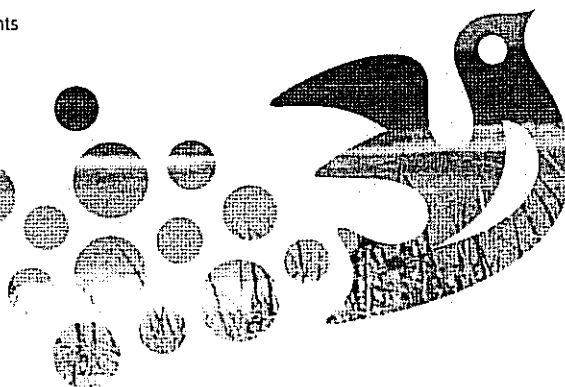
## 01 | Highlights of the year

- 01 | Financial highlights
- 02 | Global highlights
- 02 | Regional highlights
- 03 | Key facts

## 04 | Our global brands

## Chairman's statement

## 06 | A message from Michael Treschow



## Highlights of the year

### Financial highlights

Underlying sales growth of 5.5%

Operating margin of 13.1%, with an underlying improvement of 0.2 percentage points

Earnings per share from continuing operations up 12%

Total regular dividends to rise by 7%

#### Turnover<sup>(1)(2)</sup>

€ million

2007	40 877
2006	39 642

£ million

2007	77 617
2006	27 028

#### Underlying sales growth<sup>(1)</sup>

%

2007	5.5
2006	3.8

#### Operating profit<sup>(1)(2)(3)</sup>

€ million

2007	5 408
2006	5 408

£ million

2007	3 687
2006	3 687

#### Operating margin<sup>(1)</sup>

%

2007	13.6
2006	13.6

#### Dividends<sup>(3)(4)</sup>

€

per Ordinary CV share of 100

2007	0.70
2006	0.70

pence

per Ordinary PLC share of 100

2007	47.66
2006	47.66

(1) From continuing operations.

(2) Sterling translated for convenience only.

(3) For \$ conversions, see the Summary Financial Statement on pages 25 and 26.

(4) In addition, a one-off dividend of €0.26 per Ordinary NV share and 17.66p per Ordinary PLC share was paid in December 2006.

## How we performed

08 | Group Chief Executive's review

12 | Global review

16 | Regional performance: Europe

18 | Regional performance: The Americas

20 | Regional performance: Asia Africa

## Governance and financial statements

22 | Board of Directors

24 | Summary Financial Statement

28 | Corporate governance

31 | Summary remuneration report

## Shareholder information

36 | Contact details

37 | Financial calendar and addresses

### Important note

The two parent companies, Unilever NV (NV) and Unilever PLC (PLC), together with their group companies, operate effectively as a single economic entity (the Unilever Group, also referred to as Unilever or the Group). This Annual Review therefore deals with the operations and the results of the Unilever Group as a whole. The Unilever Annual Review (which contains the Summary Financial Statement and Annual Report) and Accounts are produced in Dutch and English.

### Forward-looking statements

This document contains certain statements that are neither audited financial reports nor other historical information. These statements are forward-looking statements made within the meaning of the US Private Securities Litigation Reform Act of 1995. For a description of factors that could affect future results, reference should be made to the full "Cautionary Statement" on page 37.



Who we are

## Highlights of the year continued

### Global highlights

Widespread growth across regions and categories

Key driver is strategic focus on developing and emerging markets, personal care and Vitality

Increasing contribution from price in response to rising commodity costs

Strong cost savings programmes delivering €1 billion in the year

Substantial progress made with portfolio development and accelerated restructuring

Named International Supplier of the Year by Tesco for the second year running

Wal-Mart's 2007 Supplier of the Year for Sustainable Engagement

### Regional highlights

#### The Americas

Turnover of €13 442 million (33% of Group)

Underlying sales growth of 4.1%

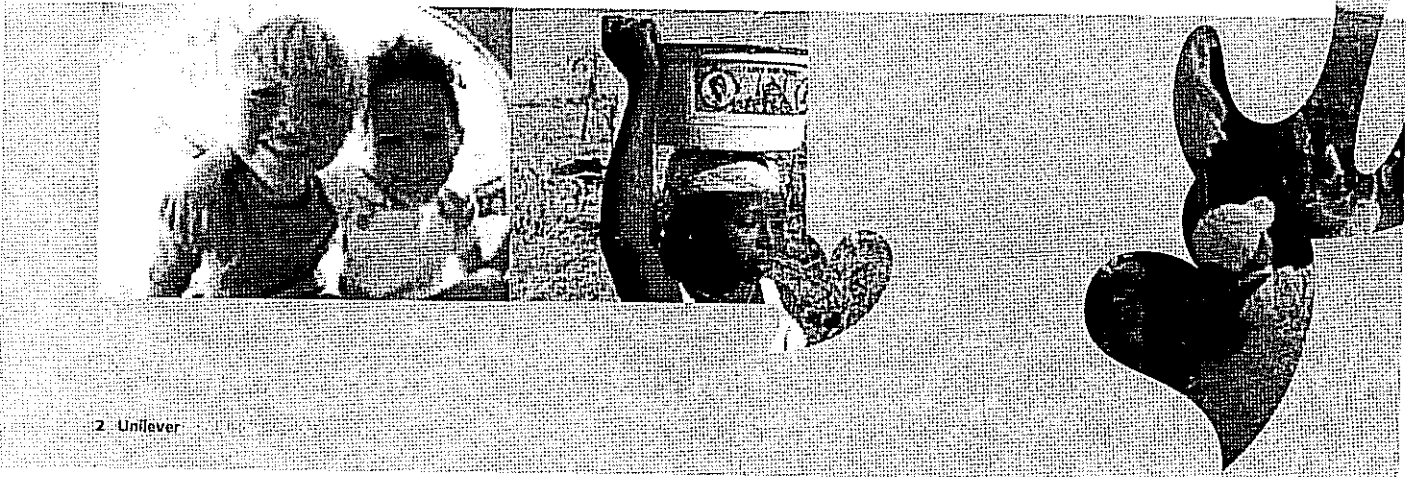
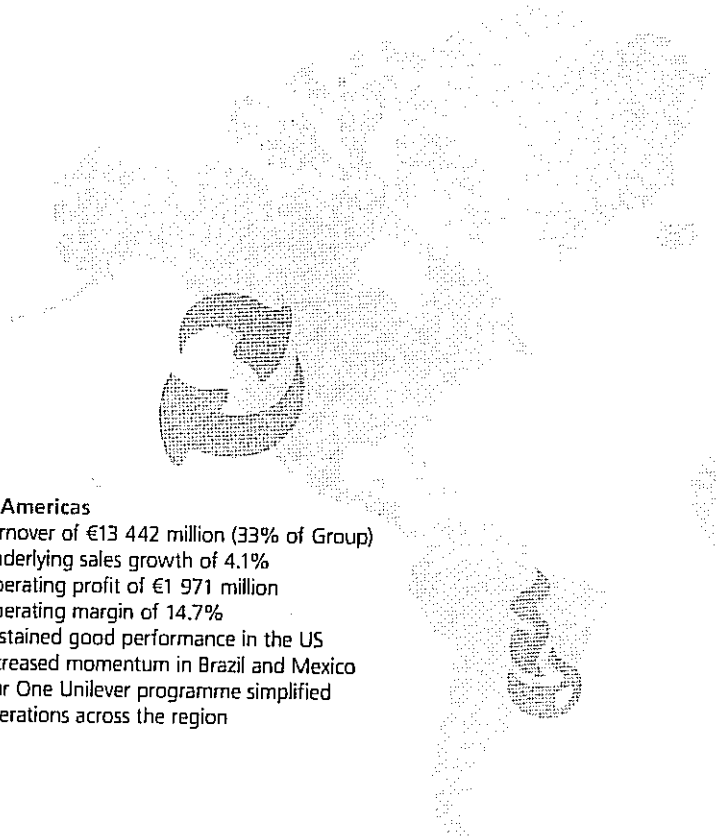
Operating profit of €1 971 million

Operating margin of 14.7%

Sustained good performance in the US

Increased momentum in Brazil and Mexico

Our One Unilever programme simplified operations across the region



## Europe

Turnover of €15 205 million (38% of Group)  
 Underlying sales growth of 2.8%  
 Operating profit of €1 678 million  
 Operating margin of 11.0%  
 Marked improvement in Western Europe  
 Outstanding performance in Russia  
 Improved growth in all major countries including UK,  
 Germany, Italy and the Netherlands

## Asia Africa

Turnover of €11 540 million (29% of Group)  
 Underlying sales growth of 11.1%  
 Operating profit of €1 596 million  
 Operating margin of 13.8%  
 Strong growth reflecting vibrant markets and priority placed on  
 building business in this region  
 All major developing and emerging businesses growing strongly  
 Continued good progress in China

## Key facts

174 000

employees at the end of 2007

21

nationalities among our top level  
 group of 113 managers

around 100

countries in which we operate

over 81 000

employees given access to the web-  
 enabled Learning Management System  
 in the first year

€89m

contributed to communities around  
 the world in 2007

9 years

as foods producers sector leader of  
 the Dow Jones Sustainability Indexes

€868m

spent on R&D worldwide

over 1/3

reduction in CO<sub>2</sub> emissions from  
 energy per tonne of product produced  
 over 1995-2006



Who we are

## Our global brands

Unilever is a global consumer goods company with a portfolio of leading brands in food, health, beauty and home care. The company is committed to sustainable living and has a strong focus on innovation and research and development. Unilever's products are sold in over 100 countries and the company has a long history of serving customers around the world. The company's revenue is primarily derived from its food and health products, which are sold under a variety of brands. Unilever's commitment to sustainable living is reflected in its products and packaging, which are designed to be environmentally friendly. The company also has a strong focus on research and development, which has led to the creation of many new products and brands. Unilever's global presence is a testament to its commitment to serving customers around the world.



### Savoury, dressings and spreads

Turnover of €13 988 million

Underlying sales growth of 5.0%

*Knorr*

*Hellmann's*

*Blue Band*

*Becell/Flora*

*Bertolli*



### Ice cream and beverages

Turnover of €7 600 million

Underlying sales growth of 4.2%

*Lipton*

*Heartbrand ice creams (Magnum)*

*Slim Fast*

Some of our brands may be marketed under alternative names in certain countries.



## Our €1 billion global brands

Lifebuoy

Lifebuoy

Dove

Head & Shoulders

Helix

Kleen

Upton

Life

Omo

Rexona

Sunsilk

Surf



### Personal care

Turnover of €11 302 million

Underlying sales growth of 6.7%

Lux

Sunsilk

Dove

Rexona

Axe

Pond's

Vaseline

Lifebuoy

Signal



### Home care

Turnover of €7 297 million

Underlying sales growth of 6.1%

Surf

Omo (Persil)

Radiant (Rin)

Comfort

Cif

Domestos

Sunlight

## A message from Michael Treschow



Michael Treschow became the first independent Non-Executive Chairman of the Boards of Unilever in May 2007.

---

### Our mission

Unilever's mission is to add Vitality to life. We meet everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life.

---

When I joined Unilever in May 2007 I was aware that the Unilever Executive led by Patrick Cescau was driving a process of sweeping change aimed at transforming the Group. Since then I have visited a number of Unilever operations in Asia and Europe. I have met with many employees and learned a great deal about the brands which the Group sells and the technology which underpins them. I have also spoken to investors to get their perceptions of the business.

All of these encounters have confirmed the preconceptions which I had before joining the Group: Unilever is a business with an extraordinary portfolio of brands, talented people, deep roots in developing and emerging markets, a strong commitment to sustainability and a distinctive corporate culture.

The Group's strong performance in 2007, with higher growth and an improvement in underlying margin, is something about which the entire business can feel proud. It is also further validation that the strategy being pursued by Patrick and his team is the right one, and that this strategy is being executed very effectively.

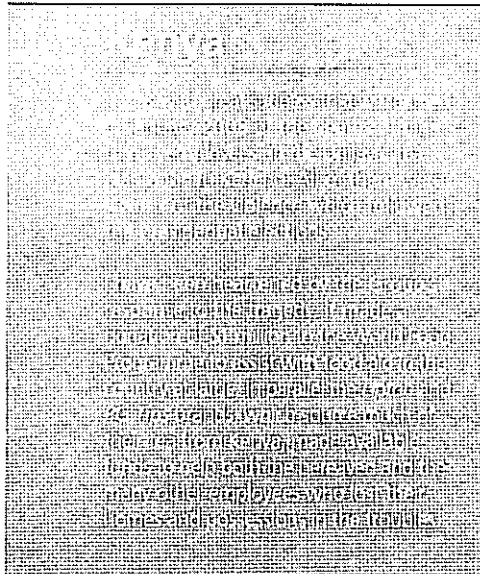
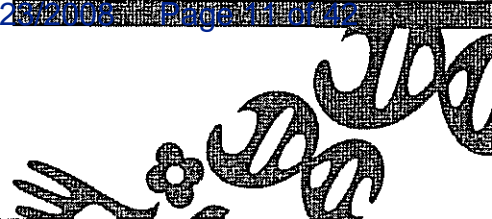
This strategy with its sharp focus on Vitality products, developing markets and faster growing product areas like personal care has dramatically changed the business. The structure is much leaner and simpler. It is enabling Unilever to maximise its considerable advantages of buying, manufacturing and marketing scale.

Some of the restructuring which has taken place has led to a reduction in employee numbers. Decisions which have an impact on employees' lives and livelihoods are never taken lightly. However, I have been impressed and reassured by the caring and responsible way in which the Group has executed these changes.

### The Boards in 2007

Corporate governance in Unilever has undergone radical change in the period since 2004. We continue to ensure that we meet the highest standards in all the markets in which we operate.

The composition of the Boards themselves has also evolved. We have enriched their diversity and experience with three new Non-Executive Directors: Narayana Murthy, Hixonia Nyasulu and Genevieve Berger.



"I am proud that we have Boards that are properly equipped to give Patrick and his team all the support that they need."

Narayana, co-founder and Chairman of Infosys Technologies Limited, brings a deep knowledge of emerging markets and expertise in IT as well as impressive business leadership skills. Hixonia is a highly experienced Non-Executive Director with Sasol Ltd. She is also an Advisory Board Member of JP Morgan South Africa and brings first-hand experience of African markets. Genevieve contributes her impressive expertise in research and development; she is Professor of Biophysics and Medical Imaging at Paris University VI and Chairman of the Advisory Board 'Health' for the EU Commission for Research.

All three joined our Corporate Responsibility and Reputation Committee when they took up their posts in May. Their appointment to this committee, now chaired by Lord Brittan, signals its growing importance and the Group's commitment to keeping sustainability at the heart of its activities.

Each of the newcomers was given an extensive programme of induction covering key issues facing the business.

In September 2007 we also welcomed Jim Lawrence as our new Chief Financial Officer; he will be proposed for election as an Executive Director at the AGMs in May 2008. Jim, who came from General Mills, is a Non-Executive Director of British Airways and Avnet. He replaced Rudy Markham who retired in 2007 after a distinguished career spanning four decades.

Whilst welcoming Jim, we will be saying goodbye to two Directors who are leaving. Kees van der Graaf after 32 years service in the business, most recently as President, Europe and Ralph Kugler, currently President, Home and Personal Care, who has served the business for 29 years. On behalf of the Boards I thank them both for the significant contribution they have made to our business throughout their careers.

During the year, we also said goodbye to Jean-Cyril Spinetta who stepped down as a member of the Boards and the Remuneration Committee. I would like to acknowledge his wise counsel and experience during his term as a Non-Executive Director.

In our Board meetings, we have discussed a wide range of topics including the Group's annual plan, performance in key markets such as Russia and China, organisation and talent, and the role of science and technology. We also reviewed and fully agreed the Unilever strategy and the new plans to accelerate change, including portfolio change and business restructuring.

An important part of my role is consistently to evaluate the effectiveness of the Boards. In 2007 our Senior Independent Director and I conducted a formal assessment, including performance-related interviews with each Board member. The findings were discussed by the Boards and will result in further improvements.

I am proud that we have Boards that are properly equipped to give Patrick and his team all the support that they need.

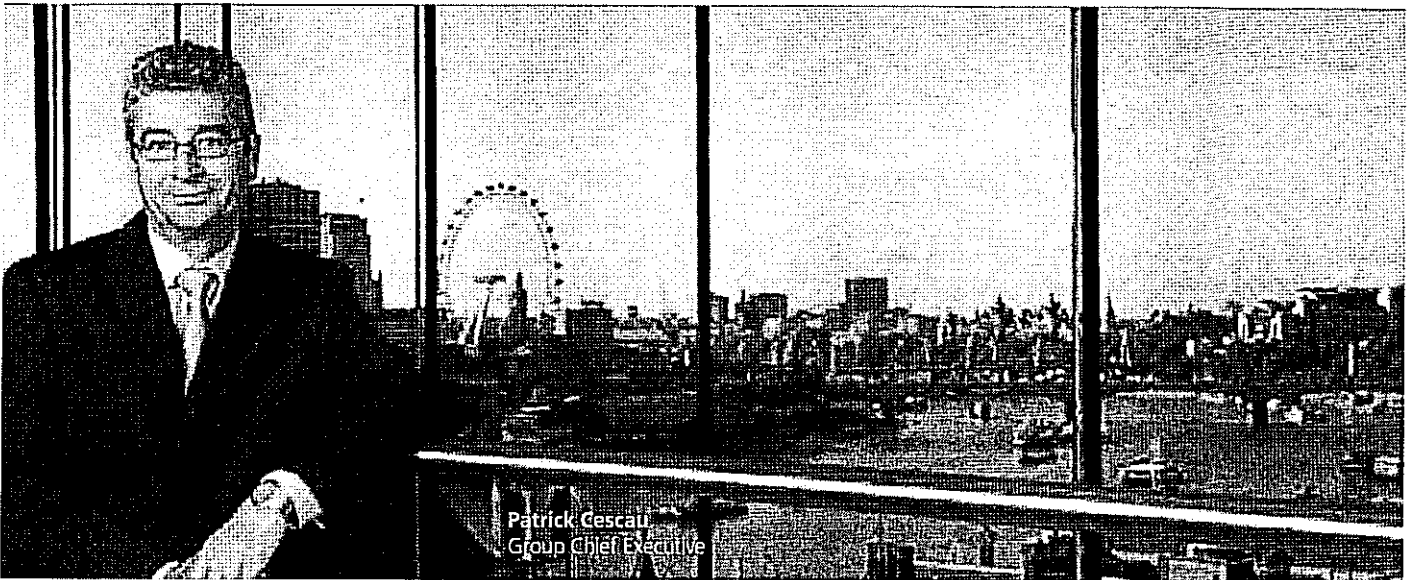
On a personal note, I find this an exciting time to work for Unilever. The business is doing well and, with its wealth of talented people, its great global brands and its ambitious business plans, is on track to do even better. On behalf of the Boards, I would like to thank all the Group's employees around the world for all that they have done in 2007. I look forward to serving the Unilever Group to the very best of my ability in the years ahead.

**Michael Treschow**  
Chairman



How we performed

## Group Chief Executive's review



Patrick Cescau  
Group Chief Executive

2007 was a good year for Unilever. We have grown consistently, achieving our best underlying sales growth in a decade. Despite a challenging cost environment, we also delivered an increase in underlying operating margin.

I am pleased to report on a good year for Unilever – one in which we continued to grow competitively, consistently and profitably. With a clear growth strategy and an organisational structure to support it, there is growing evidence of improved momentum in our business.

In 2007 underlying sales grew by 5.5% – the third consecutive year of accelerating sales growth. At the same time, we achieved an underlying improvement in our operating margin, despite sharply rising commodity costs. Our growth was broad-based, across all our major regions and categories.

**In Europe** we achieved growth of nearly 3% – up from 1% the year before. The benefits of all the structural changes we have made in this region over the past three years are now coming through both in terms of growth and underlying margin.

Russia was the star performer – with growth in the high teens – but all our major European businesses grew in 2007.

**In the Americas** full year growth was 4%. Brazil and Mexico showed an improving performance during the year, while the US grew solidly at 3%.

**In Asia Africa** we recorded 11% growth. The performance reflects not just the vibrancy of these markets but also the high priority which we place on building our business in this part of the world. Once again, India and China were important contributors to our success.

The picture was equally strong across our categories, driven by some great innovations.

“With a clear growth strategy and an organisational structure to support it, there is growing evidence of improved momentum in our business.”





## A strategy for growth

## A leaner, fitter business

## Expanding D&E markets

"In 2007 we focused on bigger innovations and rolled them out faster around the world."

Home care had a strong year, fuelled by an excellent performance from our laundry business where the *Dirt is Good* brands strengthened still further on the back of innovations like *Persil Small & Mighty*. We also had great success in household care with innovative new variants of brands like *Cif* and *Domestos*.

Our Foods category also did very well. Our largest brand *Knorr* came close to €4 billion in sales. *Lipton* tea prospered from a series of good innovations and so too did ice cream. Unilever Foodsolutions, our global food service business, also turned in another good performance, confirming the important opportunity that out-of-home consumption offers us.

### An endorsement of our strategy

These results are testimony to the fact that our strategy of focusing resources on brands, categories and countries with the highest growth and profit potential is working.

One key area is developing and emerging (D&E) markets. Over the next few years consumer spending in these markets will overtake developed countries in terms of purchasing power parity. Unilever has an unparalleled footprint in the developing world, as well as an extensive knowledge of local consumers and a proven ability to deliver health, hygiene and nutrition products which meet the needs of populations which are growing in size, wealth and aspiration.

Personal care – another strategic priority – saw continued strong growth, at nearly 7%. It continues to be our fastest-growing business, with strong global brands like *Dove*, *Pond's*, *Lux* and *Rexona*.


Our Vitality mission – to help people feel good, look good and get more out of life – remains central to our strategy, inspiring products such as a very low fat variant of *Hellmann's* mayonnaise; *Amaze* snacks, with nutrients to help support the mental development of school-aged children; *Lipton Linea* slimming teas; and the *Dove pro-age* range with benefits for mature women.

Of course, our brands must be constantly refreshed to retain their edge. In 2007, across each of our major categories, growth was driven by a combination of innovation – new products and new mixes – and renovation – the strengthening of existing brands through new variants, new packaging or new marketing.

How we performed

## Group Chief Executive's review continued

Reaching the world's newest consumers



**Unilever Executive (UEX) responsibilities**

The Unilever Executive (UEX) is responsible for the performance of the Group, guided by the Group Chief Executive

- Develop and execute the Group's strategy
- Manage the Group's financial performance
- Oversee the Group's operations
- Ensure the Group's compliance with applicable laws and regulations
- Monitor the Group's environmental and social performance
- Report to the Group's shareholders and other stakeholders
- Manage the Group's risk profile
- Ensure the Group's long-term sustainability
- Oversee the Group's talent management
- Manage the Group's communications
- Ensure the Group's ethical standards
- Monitor the Group's innovation pipeline
- Oversee the Group's supply chain
- Manage the Group's customer relationships
- Ensure the Group's product quality
- Monitor the Group's market share
- Oversee the Group's brand portfolio
- Manage the Group's intellectual property
- Ensure the Group's data security
- Monitor the Group's cybersecurity
- Oversee the Group's legal affairs
- Manage the Group's tax strategy
- Ensure the Group's financial reporting
- Monitor the Group's credit rating
- Oversee the Group's investor relations
- Manage the Group's public relations
- Ensure the Group's crisis management
- Monitor the Group's reputation
- Oversee the Group's corporate governance
- Manage the Group's stakeholder engagement
- Ensure the Group's transparency
- Monitor the Group's ESG performance
- Oversee the Group's sustainability strategy
- Manage the Group's climate change response
- Ensure the Group's biodiversity conservation
- Monitor the Group's water management
- Oversee the Group's waste management
- Manage the Group's energy efficiency
- Ensure the Group's carbon footprint reduction
- Monitor the Group's greenhouse gas emissions
- Oversee the Group's climate risk assessment
- Manage the Group's climate resilience
- Ensure the Group's climate adaptation
- Monitor the Group's climate disclosure
- Oversee the Group's climate reporting
- Manage the Group's climate communication
- Ensure the Group's climate leadership
- Monitor the Group's climate innovation
- Oversee the Group's climate research and development
- Manage the Group's climate partnerships
- Ensure the Group's climate collaboration
- Monitor the Group's climate impact
- Oversee the Group's climate contribution
- Manage the Group's climate legacy
- Ensure the Group's climate future

"During the year we made significant progress in reshaping the organisation to create a leaner, more flexible business structure."

In 2007 we focused on bigger innovations and rolled them out faster around the world. *Clear*, a shampoo with superior anti-dandruff active delivery technology, was launched simultaneously in several countries, including three of the biggest hair care markets in the world – China, Russia and Brazil. We also achieved a better transfer of mixes across continents and cultures, in some cases creating new markets. For example, we successfully launched our male deodorant brand *Axe* in Japan. After just six months it is the leader in its market.

### A leaner, fitter business

During the year we made significant progress in reshaping the organisation to create a leaner, more flexible business structure.

Our One Unilever operating model is being implemented in every major country. We are now taking this a step further with the creation of new multi-country organisations – clusters of neighbouring countries with one central management structure, leveraging regional scale through shared services for functions such as HR, IT and Finance. These changes are all part of our accelerated programme of restructuring announced last summer.

We further shaped our portfolio through disposals and acquisitions, including the announced sale of Boursin and Lawry's – brands that offered limited growth potential for Unilever. We also announced agreements to acquire the *Buavita* vitality drinks brand in Indonesia and – only recently – *Inmarko*, the leading ice cream business in Russia. These transactions accelerate our strategy of building leadership positions in fast-growing markets.

This is the right strategy for Unilever but – like any strategy – it is only as good as the execution. That is why we also continue to build our strengths in critical areas such as consumer marketing and customer development. In both cases our progress was recognised externally. In marketing, we received a clutch of awards at the Cannes International Advertising Festival, with *Dove* and *Axe* achieving three 'Grand Prix' trophies. In customer development, Unilever was named International Supplier of the Year by Tesco for the second year running.

We are also raising our game in research and development (R&D), recognising the crucial role technology can play in the quality of our innovations. Underlining the importance of R&D, we appointed our first Chief Technology Officer, Neal Matheson, in 2007. Neal leads the development of world class capabilities in science and technology and champions excellence in all our innovation activity.

Of course, some changes required difficult decisions. In Europe, the restructuring is leading to significant job losses. But painful as these decisions have been, they are the right ones for the long-term health of the business.



#### Keeping sustainability at the heart of Unilever

We believe Unilever can only continue to thrive if we conduct our business in a sustainable manner.

Integrating social, economic and environmental considerations therefore sits at the heart of many of our brand strategies. A great demonstration of this was the decision to source all of our tea from sustainable, ethical sources. To support this significant change, we asked the Rainforest Alliance to start auditing our tea suppliers with immediate effect. The aim is to have all *Lipton Yellow Label* and *PG Tips* tea bags sold in Western Europe certified by 2010 and all *Lipton* tea bags sold globally by 2015.

We also set the ambitious target of a further 25% reduction in the business's CO<sub>2</sub> emissions from energy sources used in production by 2012. And we continued to develop our partnerships with key retail customers, sharing our sustainability expertise to support them in achieving their goals. Wal-Mart responded by naming us 2007 Supplier of the Year for Sustainable Engagement.

#### Accelerating transformation

Our One Unilever programme is a 'early streamlining' that has been creating significant synergies for each country and outsourcing parts of our IT, HR and finance functions. In 2007 we announced plans to accelerate our change programme, further by developing more multi-country organisations (MCOs) – clusters of countries with a single unified management and shared functions. MCOs reduce duplication and free up resources to focus on customers and consumers. All regions announced or confirmed to implement MCOs in 2008. The early announced MCOs include Benelux, Germany, Australia and Switzerland, UK/Ireland, and Central Africa.

#### The year ahead

Notwithstanding some economic uncertainty and the rising costs of many materials, we are confident that Unilever can grow consistently, profitably and competitively in 2008.

The changes we have made in recent years leave Unilever more resilient and better placed than ever before to meet challenges and respond to opportunities. We have a more flexible, dynamic structure, an increasingly powerful brand portfolio, an unparalleled footprint in the developing world, and – in 2008 – we have another exciting programme of innovations and new product launches. Furthermore, we operate in sectors less susceptible than others to the effects of an economic downturn: people will always need to eat, wash and clean their homes.

For all these reasons we remain optimistic about the year ahead and confident of making further progress towards our longer-term financial objectives.

On a personal note I would like to thank two members of the Unilever Executive who will leave us in 2008 – Kees van der Graaf and Ralph Kugler. They have been valued colleagues over many years and I thank them for their contribution. Indeed, I would thank the whole of my Executive team, including two great additions during the year, Mike Polk and Jim Lawrence, the latter joining from outside as our new Chief Financial Officer. Thanks also to my colleagues on the Boards, under our new Chairman, Michael Treschow, and especially to every one of our employees around the world for their invaluable contribution to the business's progress in 2007.

Working together, as One Unilever, I am confident that we can look forward to delivering continued success in 2008.



How we performed

## Global review

# Growing brands globally

Our products are chosen by consumers 160 million times every day. On sale in over 150 countries around the world, they meet everyday needs for nutrition, hygiene and personal care.







Our brands are household names in many countries around the world.

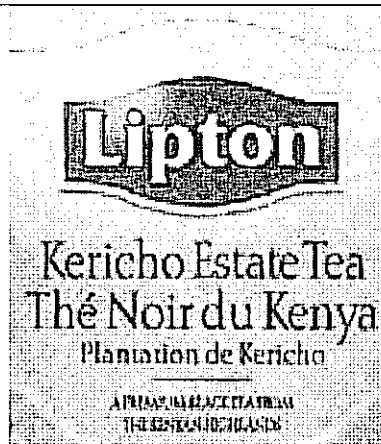
We create products that appeal to people's different preferences, based on our deep understanding of consumers' varied habits and lifestyles.

#### Food and nutrition

We aim to provide foods which both taste great and are good for you, and, in so doing, become the world's leading food and nutrition business.

To fulfil our goal, we are systematically improving the nutritional profile of our product range through our Nutrition Enhancement Programme. By the end of 2007 we had assessed the nutritional composition of all our products – totalling over 22 000 recipes – and removed a further 2 750 tonnes of saturated fat, 170 tonnes of salt and 5 000 tonnes of sugar. This is in addition to the substantial reductions already made by 2006.

We are also committed to ensuring that consumers are able to make informed choices when buying our products. As well as listing nutritional information on the back of packaging, we are implementing the Choices programme, with a front-of-pack stamp that identifies products which meet internationally accepted dietary advice. In 2007 we continued rolling the programme out globally together with other food companies, under the auspices of the Choices International Foundation. This was launched during 2007 and is advised by an independent scientific committee. The stamp can now be found on products in more than 50 countries around the world. See [www.choicesinternational.org](http://www.choicesinternational.org) for more information.



We focus on three key areas of consumer benefit when developing new products: functional foods, lighter options, and naturalness and authenticity. For example, in 2007 we developed *Promise Activ SuperShots*, a Vitality shot with added natural plant sterols, ingredients that are clinically proven to help actively remove cholesterol as part of a diet low in saturated fat and cholesterol.

Meanwhile, *Hellmann's Extra Light* uses citrus fibre to create a great tasting, very low fat mayonnaise. Because of its low fat content the product has a higher margin – particularly valuable at a time of increasing edible oil costs.

*Lipton Green Tea* in the US, *Lipton Linea* slimming teas in Europe, and *Lipton Milk Tea* in Asia all flourished by exploiting tea's credentials as a healthy beverage. And a new range of restaurant-quality frozen meals from *Bertolli*, which are packed with fresh vegetables and ready to eat in minutes, was a hit with North American consumers.

#### Landmark pledge on sustainable tea

Lipton has a long history of commitment to sustainable tea. In 2007 we set a landmark pledge to the tea industry, committing to sourcing tea from sustainable sources. This pledge is the first of its kind in the industry, and it sets a new standard for sustainable tea sourcing. It covers the entire tea supply chain, from the tea plant to the cup. It also covers the social and environmental aspects of tea production. This pledge is a landmark in the history of sustainable tea, and it sets a new standard for the industry.

on the web

[www.unilever.com/lipton](http://www.unilever.com/lipton)

#### Health, hygiene and beauty

The desire to be clean and healthy and to look good is universal. Our home and personal care brands have promoted health, hygiene and beauty since the late 19<sup>th</sup> century and continue to play a vital role in millions of homes around the world today.

In 2007 our household cleaning business had a particularly successful year, with brands such as *Cif* and *Domestos* helping it grow by 9%. From simple soap bars to the most technically advanced concentrated liquids, our laundry brands are also growing fast.

In skin care, the *Pond's* brand went from strength to strength in South East Asia, China and India, powered in part by the launch of a new anti-ageing range. *Vaseline* was our fastest-growing global skin brand, with underlying sales growth of more than 8%. *Vaseline Cocoa Butter* range was its most successful launch in the US in ten years. The brand also announced the *Vaseline Skin Fund*, which is expected to launch in the UK and the US in 2008 – and give 1 million people better access to information about managing skin complaints.

## Senior Executive Seminar

The Senior Executive Seminar, our pioneering leadership development programme, was held this year by leading business academic C.R. Prahalad. The event brought together 200 of our top leaders to examine key business issues, with a particular focus on strategy and innovation. They concentrated on developing new, thriving markets, writing more than 100 case studies and 100 MSOs to guide managers into global trends and provide them with a unique opportunity to see the bottom of the economic pyramid. The seminar findings have been shared with the Unilever Executive and Board of Directors, helping to shape further our approach to emerging markets.

on the web

[www.unilever.com](http://www.unilever.com)

How we performed

## Global review continued

Our deodorant brands also made good progress in 2007, with *Axe* and *Rexona* both achieving double-digit growth. *Rexona* is the world's leading deodorant brand and *Axe* holds a leading position in male deodorants (see box, page 21).

Oral Care returned to growth in Europe while continuing its robust performance in Indonesia, China and Africa – aided by innovations such as a combined toothpaste and mouthwash. During the year we announced the extension of our partnership with the FDI World Dental Federation, which represents more than 1 million dentists, and we work together with the FDI in oral health promotion and education programmes.

### Science and technology

We are proud of our reputation as a world leader in research and development. In 2007 we achieved growth across our categories both through innovation – new products and new mixes – and through renovation – the strengthening of existing brands with new variants, packaging or advertising.

We strive to bring innovations to market more swiftly than ever before. Following the completion of a major reorganisation of our research and development (R&D) activities, we have concentrated R&D in global and regional centres in order to make the very best use of our resources and create centres which are innovation powerhouses. We are also increasingly working on fewer, larger scale projects, having carefully chosen those that we think will deliver the most value to the business either in terms of product sales or margin improvements.

Recent developments include *Amaze Brainfood* – a range of nutritious snacks and drinks that are specifically designed to support mental development in children. The 2006 launch was the result of a €40 million, four-year R&D project. Already selling well in Turkey, *Amaze* is expected to launch in India in 2008.

We have also developed a breakthrough technology that includes the use of Ice Structuring Proteins (ISP) in ice cream. This enables a wide range of ice cream innovations, including significantly healthier options and better quality ice cream. Ice creams that contain ISP are available in a number of countries in the Americas and Asia Africa regions. For Europe, regulatory approval is being sought under the EC Novel Foods Regulation.

In the kitchen, new *Sunlight* hand dishwashing liquid keeps working on the sponge for longer because it turns to gel on contact with water. Its ultra-concentrated formula uses less water in the production process and less packaging. It is being rolled out in eight countries. And the environmentally friendly lightweight design and fast-drying formulation of our new roll-on deodorant, launched under the *Rexona*, *Axe* and *Dove* brands, also proved popular with consumers.

This year also saw the simultaneous launch in a number of countries of *Clear* anti-dandruff shampoo with superior anti-dandruff active delivery technology (see box, page 15). Its formulation is based on one common 'chassis' with add-on refinements for different scalp and hair types.

### Corporate responsibility and sustainability

We aim to manage and grow our business in a responsible and sustainable way.

Our new Brand Imprint programme enables brands to integrate social, economic and environmental drivers into their development plans. An early example of Brand Imprint's potential is our decision to source all our tea sustainably and work with the Rainforest Alliance to achieve certification for our tea estates (see box, page 13).

Our new Brand Imprint programme enables brands to integrate social, economic and environmental drivers into their development plans.

Another significant step was taken by our ice cream brand *Ben & Jerry's*, which announced plans to invest €2.4 million over the five years 2007 to 2012 in reducing its impact on climate change through initiatives covering every stage of its European production process.

During the year we reviewed our sustainability strategies for agriculture (from which about two-thirds of our raw materials come), packaging, water and greenhouse gases. Many of our major retail customers are focusing on sustainability and, by sharing our expertise in this area, we are able to strengthen our relationships with them and grow our business.

For example, the consumer and environmental benefits of our concentrated laundry detergent, *all Small & Mighty*, were promoted by Wal-Mart, helping the brand grow sales in the US to \$140 million in 2007. *Small & Mighty*, which uses less water, less packaging and less fuel for transport, has now launched in Europe across the brand portfolio, for example *Persil*, *Surf* and *Omo*. The success of our ongoing partnership with Wal-Mart led the world's largest retailer to name us 2007 Supplier of the Year for Sustainable Engagement.

## Global Diversity Board

Our leaders make diversity a top business priority. Signaling this commitment, the Global Diversity Board brings together 15 leaders from all our business units and is chaired by Global HR Executive Peter J. Wilson. The board focuses on driving the diversity agenda into our business processes and making the progress of minority initiatives. It also explores new ways of working to boost employees' productivity.

### Brands with missions

Our brands have the power to change people's lives for the better.

The second-biggest preventable killer of children in the world is diarrhoea, and yet simple hand-washing with soap can cut diarrhoeal diseases significantly. In 2007, in partnership with UNICEF, we piloted an education programme for schoolchildren in Uganda highlighting the importance of hand-washing with soap, underpinned by our soap brand *Lifebuoy*. Coupled with this, the Unilever Marketing Academy helped develop health promotion campaigns in Kenya, Tanzania and Uganda. During the year the brand grew by 9%.

Throughout the year, our Goodness of Margarine campaign spread the message in Europe that margarine contains essential fats and vitamins helpful in maintaining a healthy heart. The results were excellent and the campaign is rolling out further in 2008.

The Family Goodness spreads brand is raising funds as part of our three-year partnership with the World Food Programme (WFP) to provide nutritious school meals for children living in poverty. We are also sharing our nutrition and hygiene expertise and helping WFP develop a school education campaign as well as review the need for fortified foods.

### Clear thinking goes global

Our aloe vera campaign in 2007 was the most successful in our history, with a 10% increase in sales in the UK and a 15% increase in sales in the US. The campaign was a success in many ways, including the fact that it was the most successful in our history, with a 10% increase in sales in the UK and a 15% increase in sales in the US. The campaign was a success in many ways, including the fact that it was the most successful in our history, with a 10% increase in sales in the UK and a 15% increase in sales in the US.

on the web

[www.unilever.pk/clear](http://www.unilever.pk/clear)



Meanwhile, a major healthy eating campaign, *Knorr Eat Colour*, encouraged consumers to eat colourful vegetables, with the help of a range of new colour-themed products. The campaign was based on the insight that vegetables' bright hues indicate the presence of different beneficial antioxidants.

The Dove Campaign for Real Beauty made strides in its mission to raise the self-esteem of women. By the end of 2008 the Dove Self-Esteem Fund aims to have reached 1 million young girls in 20 countries through partnerships with organisations such as the Eating Disorders Association and Girl Scouts of America. Sales of Dove products are growing rapidly.

Our Dirt is Good positioning – which is used across countries on our main brands including *Persil*, *Omo* and *Skip* – is also flourishing. It promotes children's learning and development through physical activity – while the brands' innovative formulations mean parents don't need to worry about getting their children's clothes clean after outdoor play.

## Putting safety first

We regard safety as an essential element of a successful and sustainable business and take as our top responsibility to provide a safe working environment. We are committed to ensuring the health, safety and well-being of everyone working for us, to that of our customers and the general public. The well-being of our people is a key priority of our company and is the area of our business that we are most proud of. We are committed to ensuring the health, safety and well-being of everyone working for us, to that of our customers and the general public. The well-being of our people is a key priority of our company and is the area of our business that we are most proud of.

on the web

[www.unilever.com](http://www.unilever.com)

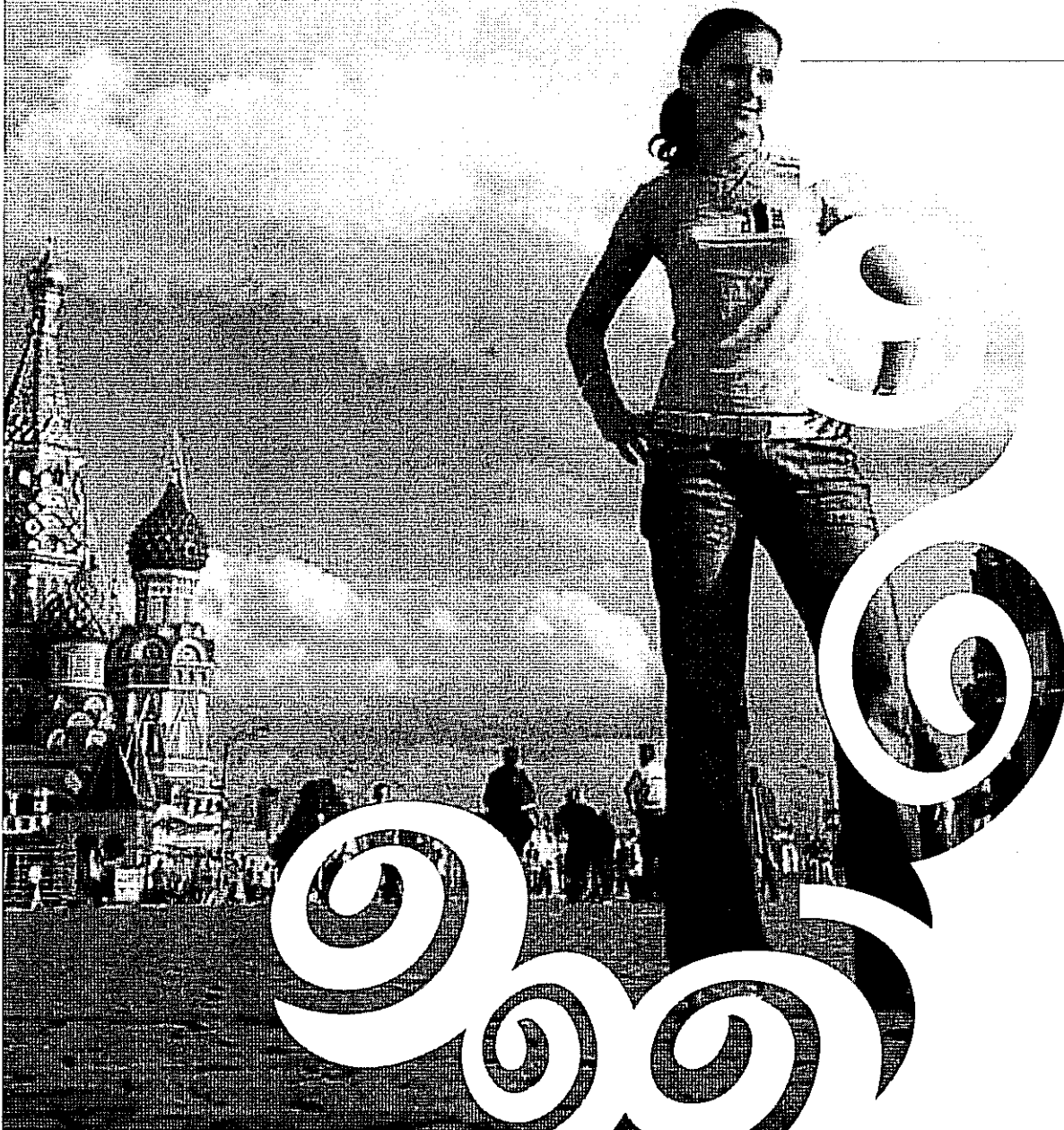


How we performed

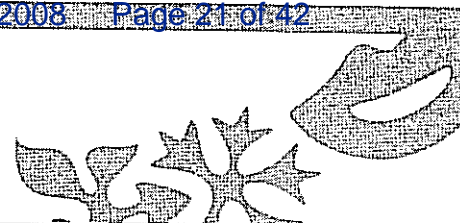
Regional performance: Europe

Nowhere is the pace  
of change greater

A relentless focus  
on better in-market  
execution, rejuvenation  
of the quality and value  
of our core products,  
and new innovations.







### Growth

The region sustained its improving trend in 2007 with underlying sales growth of 2.8% for the year. The improvement was driven by relentless focus on better in-market execution, rejuvenation of the quality and value of our core products, and an introduction of new innovations. Consumer demand in our categories was steady throughout the year.

Overall we saw improving trends almost everywhere. Russia was the outstanding performer, but all major countries grew in the year, including the UK, Germany, Italy and the Netherlands. In France sales were slightly up in a challenging market.

### Profitability

The operating margin, at 11.0% for the year, reflects a higher net charge for restructuring, disposals and one-off items compared with 2006. Before these items, the operating margin showed an underlying improvement of 0.9 percentage points, driven by lower overheads as a result of the One Unilever programme and reduced advertising and promotions costs.

### Accelerating change

We made substantial progress with portfolio development and restructuring.

At the start of 2008 we completed the expansion of the successful international partnership for *Lipton* ready-to-drink tea with PepsiCo to include all countries in Europe. We also completed the sale of Boursin, and announced the acquisition of the leading Russian ice cream company Inmarko.

We formed four new multi-country organisations and announced the streamlining or closure of ten factories. The roll-out of a single SAP system across the region continues with two-thirds of turnover in the region now on stream and full implementation expected to be largely completed by the end of 2008.

### Magnum tempts European consumers

A legend has been born: streams of fruit flavour on consumers' palate. The only European chocolate brand combining indulgence with health and wellness, the new Magnum Temptation is a new chocolate bar with a twist. It has the highest quality of chocolate in the world, wrapped in a delicious, creamy, and indulgent coating. The new Magnum Temptation is the first expression of the brand's long-term commitment to innovation.

on the web

[www.unilever.com/heartbrand](http://www.unilever.com/heartbrand)



### No hiding place for toilet germs

Fluoride toothpaste has been found to kill 99.9% of the germs on the toilet bowl. The study, conducted by Unilever, found that the fluoride in toothpaste kills 99.9% of the germs on the toilet bowl. The study was conducted in a laboratory setting, and the results were consistent across all tests. The study also found that the fluoride in toothpaste kills 99.9% of the germs on the toilet bowl. The study was conducted in a laboratory setting, and the results were consistent across all tests.

on the web

[www.unilever.com/domestos](http://www.unilever.com/domestos)

### Highlights – Europe

at current rates of exchange

€ million	2007	2006	Change
Turnover	15 205	15 000	1.4%
Operating profit	1 678	1 903	(11.9)%
Operating margin	11.0%	12.7%	

£ million	2007	2006	Change
Turnover	10 373	10 227	1.4%
Operating profit	1 145	1 298	(11.8)%

\$ million	2007	2006	Change
Turnover	20 740	18 810	10.3%
Operating profit	2 289	2 387	(4.1)%

at constant 2006 rates of exchange

	Change
Turnover	1.3%
Underlying sales	2.8%
Operating profit	(11.7)%

### Innovation

We continued to target innovations mainly at Vitality opportunities. In ice cream, we introduced *Fruiti* frozen yoghurt with wholegrain cereals and real fruit pieces and low calorie *Solero* smoothies. *Lipton Linea* slimming teas were launched in France, Switzerland and Portugal. Growth in *Hellmann's* was boosted by new extra light mayonnaise with citrus fibre technology.

The new *Dove pro-age* range of products is building well in Europe as well as elsewhere, and *Dove Summer Glow* self-tanning and body lotions are now available in most countries. *Clear* anti-dandruff shampoo was launched in Russia, with good consumer response. *Small & Mighty* concentrated liquid laundry detergents were launched in seven European countries.

## Developing people in innovative ways

We aim to offer our people stimulating ways to broaden their skills and experience while at the same time giving something back to the community. Sakaride Turk, a Supply Chain Manager from the UK, is one of the Unilever social entrepreneurs who has been instrumental in the development of the 'Vitality' programme. The programme is a school feeding and nutrition programme – an exciting initiative that is being rolled out to the community.

on the web

[www.unilever.com](http://www.unilever.com)

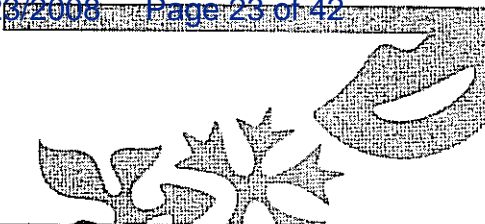
How we performed

Regional performance: The Americas

# A solid performance in a tough market

One Unilever is simplifying operations. In 2007 Argentina, Mexico and Brazil moved to single head offices; the US will follow in 2008.





## Growth

Underlying sales grew by 4.1% in the year, with an increasing contribution from pricing which was up 2.6% for the year.

In the US, overall consumer demand held up well in our categories. Market growth in home care and personal care slowed somewhat in the second half year, but this was compensated for by robust demand in foods. Our own sales in the US grew solidly, up 3.2% for the year, despite lower sales of ice cream.

Our business in Mexico made good progress in the second half of the year and Brazil showed an improved performance in the fourth quarter. Argentina, Andina and Central America performed well throughout.

### Profitability

The operating margin, at 14.7% for the year, was 1.1 percentage points lower than the previous year. Before the impact of restructuring, disposals and one-off items, the margin was 0.4 percentage points lower than last year. This was due to an increase in advertising and promotions and the impact of substantial cost increases, which have not yet been fully offset by price increases and savings programmes.

### Accelerating change

The One Unilever programme is simplifying operations throughout the region. Argentina, Mexico and Brazil all moved to single head offices in 2007, while the US will follow in early 2008. Sales force integration is under way in a number of countries. A single SAP system has been implemented in the US, with Latin America already on one system.

We set up a joint venture with Perdigão to develop our heart-health margarine *Bece!* in Brazil and disposed of our local Brazilian margarine brands. We also announced an agreement for the disposal of Lawry's

### Guilt-free mayonnaise

[illegible]

on the web

[www.unilever.com/hellmanns](http://www.unilever.com/hellmanns)

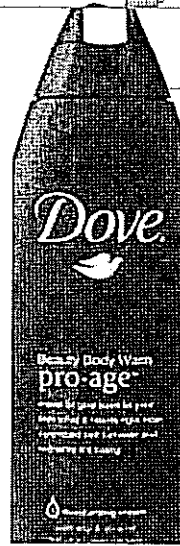
seasonings, while the sale process of the North American laundry business is under way.

## Innovation

New varieties of *Knorr* bouillons and soups in Latin America further advanced the brand's Vitality credentials. *Hellmann's* 'real' campaign highlights its simple ingredients which are naturally rich in Omega 3, in both the US and Latin America. In the US, we introduced *Promise Activ SuperShots*, a Vitality shot with added natural plant sterols, ingredients that are clinically proven to help actively remove cholesterol as part of a diet low in saturated fat and cholesterol.

Innovation in personal care reflected the more global approach. *Clear* anti-dandruff shampoo was successfully launched in Brazil, while the *Dove pro-age* range of skin care, deodorants and shampoos was introduced in the US at the same time as in Europe. In laundry, the *Dirt is Good* platform continued to build across Latin America, now including a variant with built-in fabric softener.

**Dove pro-age waxes  
fabulous fifty-somethings**

[illegible]

on the web

[www.unilever.com/dove](http://www.unilever.com/dove)

## Highlights – The Americas

at current rates of exchange

€ million	2007	2006	Change
Turnover	13 442	13 779	(2.4)%
Operating profit	1 971	2 178	(9.5)%
Operating margin	14.7%	15.8%	

£ million	2007	2006	Change
Turnover	9 170	9 395	(2.4)%
Operating profit	1 344	1 484	(9.4)%

£ million	2007	2006	Change
Turnover	18 334	17 279	6.1%
Operating profit	2 689	2 731	(1.5)%

at constant 2006 rates of exchange

	Change
Turnover	3.5%
Underlying sales	4.1%
Operating profit	(3.4)%

## New ways of working

We are committed to finding fresh ways of working that inspire and increase effectiveness, enhance work-life balance and accelerate the career growth of our people. Our Philosophy of Work encompasses our approach to Employment, Learning, Development, Inclusion and Diversity, Engagement and a high standard of performance. These are the main drivers of a high level of talent, to be reflected clearly in practice, where change management is at the heart of the technology of business to be certified by the Department of Industry. A number of awards and recognitions are added in 2021.

on the web

www.unilever.com

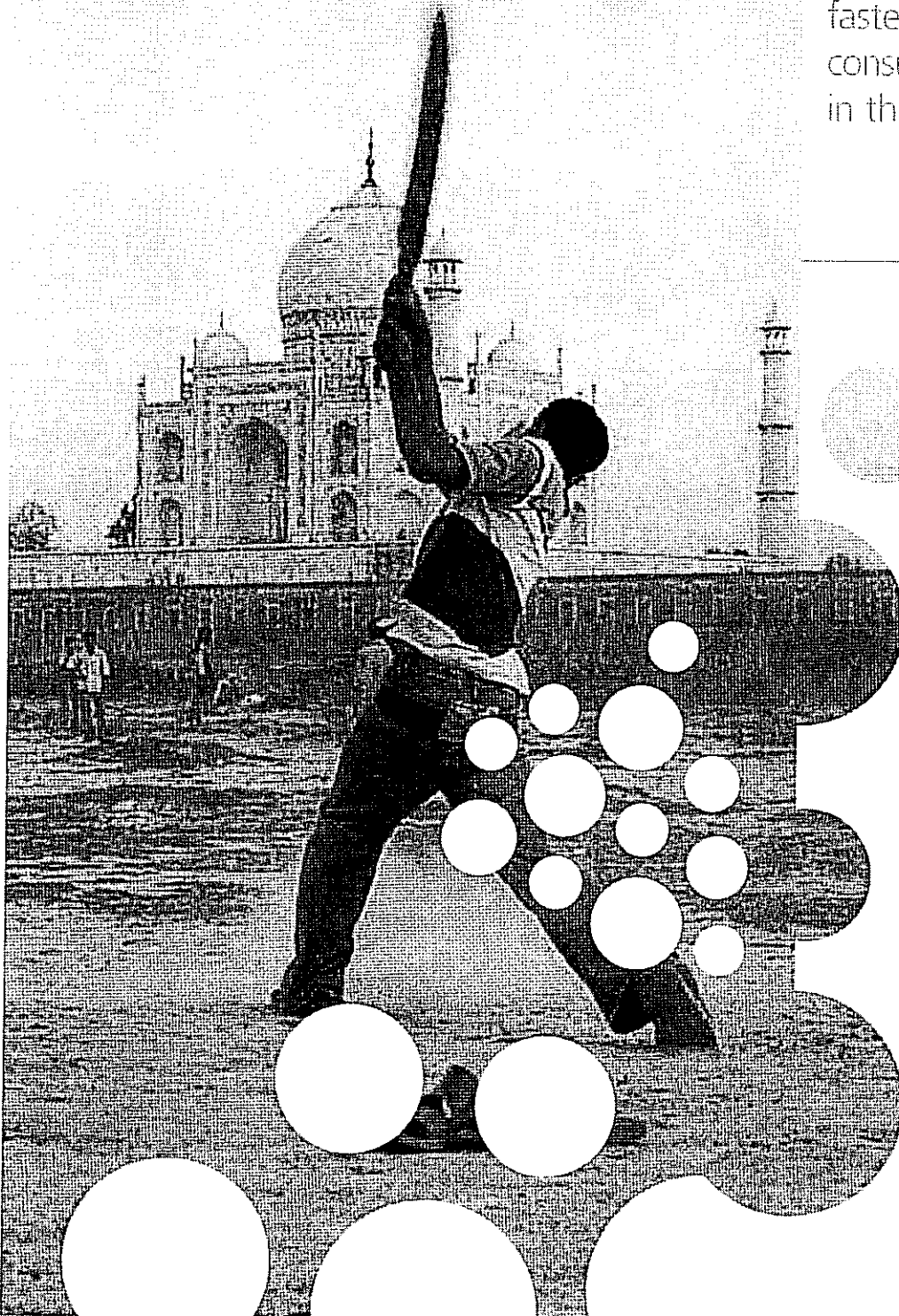


How we performed

Regional performance: Asia Africa

# Strong growth in all major markets

Bringing the power  
of our branding,  
innovation and  
execution to bear  
in some of the  
fastest-growing  
consumer markets  
in the world.







### Growth

The strong underlying growth of 11.1% for the year reflects both the vibrancy of these markets and the high priority we place on building our business in the region. It includes a healthy balance of volume and price, up by over 7% and 3% respectively.

Growth was consistent throughout the year and was broad-based across categories and countries, including established markets such as India, Indonesia, the Philippines, South Africa and Turkey, which all grew in double digits; significant product areas such as laundry and personal wash; and emerging product areas like ice cream and deodorants. China remains a key priority and grew strongly for the third consecutive year.

We drove growth across all income levels, from highly affordable packs to premium positions. This was supported by new brands and products that leveraged our global platforms and excellent in-market execution.

### Profitability

The operating margin, at 13.8%, was 1.6 percentage points higher than last year. This included the €214 million accounting profit resulting from the reorganisation of our shareholdings in South Africa. Before the effects of this transaction, disposals and restructuring charges, the operating margin showed an underlying increase of 0.2 percentage points. The improvement was driven by volume growth, pricing actions and savings programmes which more than offset higher input costs and increased advertising and promotions.

### Accelerating change

We announced the acquisition of the Buavita brand of fruit-based vitality drinks in Indonesia, which was completed early in January 2008.

As part of the One Unilever programme we now have a single SAP system in place in four countries as the basis for a common

### Soup solution causes a stir in China

In China, soup has long been a part of daily life. For Knorr, this has meant a focus on developing a range of products that can be used in a variety of ways. The new Knorr soup range, which includes a range of soups, is a testament to the company's commitment to innovation and its focus on providing a wide range of products to meet the needs of its customers.



on the web

[www.unilever.com/knorr](http://www.unilever.com/knorr)



### AxeLynx scores in Japan

AxeLynx, the world's most popular deodorant brand, has achieved a significant milestone in Japan. The brand's success is due to its innovative packaging and its focus on providing a wide range of products to meet the needs of its customers. The brand's success is a testament to the company's commitment to innovation and its focus on providing a wide range of products to meet the needs of its customers.

on the web

[www.unilever.com/axe](http://www.unilever.com/axe)

regional platform, while the reorganisation of our shareholdings in South Africa and Israel facilitates the new organisation.

### Innovation

The new, more global, approach to innovation was evident in the 2007 programme. Clear anti-dandruff shampoo was launched in China, Arabia, Egypt, Pakistan and the Philippines. In Japan, we launched the Axe brand and Dove pro-age skin care products. An improved range of Dove shower products was extended to North East Asia, while Lifebuoy soap was launched in South Africa and a new variant brought to India. In laundry, the new Dirt is Good product, packaging and communication were introduced to Thailand.

The Moo range of ice creams was extended throughout the region. Knorr seasonings were rejuvenated with premium ingredients, as in Europe, and in China we launched a new form of Knorr bouillons for preparing thick soups. At the same time new, more affordable, tubs and sachets are attracting new users of spreads in several countries.

### Highlights – Asia Africa

at current rates of exchange

€ million	2007	2006	Change
Turnover	11 540	10 863	6.2%
Operating profit	1 596	1 327	20.2%
Operating margin	13.8%	12.2%	

£ million	2007	2006	Change
Turnover	7 873	7 406	6.3%
Operating profit	1 089	905	20.3%

\$ million	2007	2006	Change
Turnover	15 741	13 622	15.6%
Operating profit	2 177	1 665	30.8%

at constant 2006 rates of exchange

	Change
Turnover	10.6%
Underlying sales	11.1%
Operating profit	27.6%

## Standards of Leadership

Our Standards of Leadership programme is a set of beliefs and attitudes aimed at ensuring that every manager takes personal responsibility for delivering Unilever's agenda for growth and innovation. During the year, the programme was rolled out globally in a number of phases. In Asia the programme was initially rolled out in the region's key markets, including India, China, South Korea, Indonesia and the Philippines. The programme is now being rolled out in other key markets, including Brazil, Mexico and the United States.

on the web

[www.unilever.com](http://www.unilever.com)

## Board of Directors



### Chairman

#### 1. Michael Treschow<sup>1,2</sup>

Nationality: Swedish. Aged 64. Chairman since May 2007. Chairman, Telefonaktiebolaget L M Ericsson. Non-Executive Director, ABB Group. Board member, Knut and Alice Wallenberg Foundation. Chairman, AB Electrolux 1997-2007 and Confederation of Swedish Enterprise 2004-2007.

### Vice-Chairman

#### 2. The Lord Simon of Highbury CBE<sup>3,4,5</sup>

Nationality: British. Aged 68. Appointed 2000. Non-Executive Director, Suez Group. Director, CEPS, Belgium. Member of the International Advisory Council, FITCH, France. Member of the International Advisory Board, Dana Gas Corporation. Senior Advisor, Morgan Stanley International. UK Government Minister 1997-1999. Group Chief Executive, BP p.l.c. 1992-1995 and Chairman 1995-1997.

### Executive Directors

#### 3. Patrick Cescau

Group Chief Executive  
Nationality: French. Aged 59. Group Chief Executive since April 2005. Joined Unilever 1973. Appointed Director 4 May 1999. Previous posts include: Chairman, Unilever PLC and Vice-Chairman, Unilever N.V. 2004-2005. Foods Director 2001. Financial Director 1999. Controller and Deputy Financial Director 1998-1999. President, Lipton USA 1997-1998. President and CEO, Van den Bergh Foods USA 1995-1997. Chairman, Indonesia 1991-1995. External appointments include: Non-Executive Director, Pearson plc.

#### 4. Kees van der Graaf

President Europe  
Nationality: Dutch. Aged 57. President Europe since April 2005. Joined Unilever 1976. Appointed Director 12 May 2004. Previous posts include: Foods Director 2004, Business Group President, Ice Cream and Frozen Foods 2001. Executive Vice-President, Foods and Beverages Europe 1998. Senior Vice-President, Global Ice Cream category 1995. External appointments include: Board member, ECR (Efficient Consumer Response). Member, Supervisory Boards of ANWB Club (Algemene Nederlandse Wielrijdersbond) and ANWB B.V.

#### 5. Ralph Kugler<sup>\*</sup>

President Home and Personal Care  
Nationality: British. Aged 52. President Home and Personal Care since April 2005. Joined Unilever 1979. Appointed Director 11 May 2005. Previous posts include: President Home and Personal Care Europe 2001. Business Group President, Latin America 1999. Chairman, Unilever Thai Holdings 1995. Chairman, Unilever Malaysia 1992. External appointments include: Non-Executive Director, InterContinental Hotels Group PLC.

#### 6. James Lawrence<sup>\*</sup>

Chief Financial Officer  
Nationality: American. Aged 55. Appointed Chief Financial Officer 1 September 2007. External appointments include: Non-Executive Director, British Airways Plc and Avnet, Inc. Previous posts include: various senior positions at General Mills, Inc. 1998-2007, including Vice Chairman 2006-2007, Executive Vice President-International 2000-2006 and Chief Financial Officer 1998-2007, Executive Vice President and CFO, Northwest Airlines 1996-1998, President and CEO, Pepsi-Cola International (Asia, Middle East, Africa) 1992-1996, and Chairman, LEK Partnership 1983-1992.



#### Non-Executive Directors

##### 7. Professor Genevieve Berger<sup>c</sup>

Nationality: French. Aged 53. Appointed 2007. Professor, Medical University Teaching Hospital, Paris. Member, Technical Committee, Institute of Electrical and Electronics Engineers (IEEE). Chairman, Advisory Board, Health for the European Commission. Director, Biotech and Agri-Food Department 1998-2000 and Director of Technology 2000, the French Ministry for Education. Director General, National Centre for Scientific Research (CNRS), France 2000-2003.

##### 8. The Rt Hon The Lord Brittan of Spennithorne QC, DL<sup>7</sup>

Nationality: British. Aged 68. Appointed 2000. Vice-Chairman, UBS Investment Bank and Chairman, UBS Limited. Director, UBS Securities Company Limited. Member, International Advisory Committee of Total. Member, European Commission and Vice-President 1989-1999. Member, UK Government 1979-1986. Home Secretary 1983-1985 and Secretary of State for Trade and Industry 1985-1986.

##### 9. Professor Wim Dik<sup>c</sup>

Nationality: Dutch. Aged 69. Appointed 2001. Professor at Delft University of Technology. Chairman, Supervisory Boards of Tele Atlas N.V., Zesko Holding B.V., and Chairman, Advisory Board of Spencer Stuart Netherlands. Non-Executive Director, Aviva plc, LogicaCMG plc and Stage Entertainment B.V. Chairman and CEO, Koninklijke PTT Nederland (KPN) 1988-1998 and Koninklijke KPN N.V. (Royal Dutch Telecom) 1998-2000. Minister for Foreign Trade, Netherlands 1981-1982.

##### 10. Charles Golden<sup>c</sup>

Nationality: American. Aged 61. Appointed 2006. Executive Vice-President, Chief Financial Officer and Director, Eli Lilly and Company 1996-2006. Non-Executive Director, Clarian Health Partners, Hillenbrand Industries, Inc. and Eaton Corporation. Member of Finance Committee, Indianapolis Museum of Art.

##### 11. Byron Grote<sup>a</sup>

Nationality: American/British. Aged 60. Appointed 2006. Chief Financial Officer, BP p.l.c.

##### 12. Narayana Murthy<sup>a</sup>

Nationality: Indian. Aged 61. Appointed 2007. Chairman, Asia Business Council, Indian Institute of Information Technology and Infosys Technologies Limited. Director, DBS Bank, DBS Group Holdings, Infosys Consulting, Inc., Infosys Technologies (China) Company Limited, New Delhi Television Ltd.

##### 13. Hixonia Nyasulu<sup>c</sup>

Nationality: South African. Aged 53. Appointed 2007. Non-Executive Director, Barloworld Ltd, JP Morgan SA, Sasol Ltd and Tongaat-Hulett Group Ltd. Member, Banking Enquiry Panel, South African Competition Commission.

##### 14. Kees Storm<sup>c</sup>

Nationality: Dutch. Aged 65. Appointed 2006. Chairman, Executive Board AEGON N.V. 1993-2002. Chairman, Supervisory Board KLM Royal Dutch Airlines N.V. Board member and Chairman of Audit Committee, InBev S.A. Board member and Audit Committee member, Baxter International, Inc. Member, Supervisory Board, Pon Holdings B.V. Member, Supervisory Board, AEGON N.V.

##### 15. Jeroen van der Veer<sup>1,2</sup>

Nationality: Dutch. Aged 60. Appointed 2002. Chief Executive, Royal Dutch Shell plc. Former Member, Supervisory Board of De Nederlandsche Bank N.V. 2000-2004.

<sup>1</sup> Member Nomination Committee

<sup>2</sup> Member Remuneration Committee

<sup>3</sup> Chairman Nomination Committee

<sup>4</sup> Chairman Remuneration Committee

<sup>5</sup> Senior Independent Director

<sup>6</sup> Member Corporate Responsibility and Reputation Committee

<sup>7</sup> Chairman Corporate Responsibility and Reputation Committee

<sup>8</sup> Member Audit Committee

<sup>9</sup> Chairman Audit Committee

<sup>a</sup> James Lawrence will be proposed for election as an Executive Director at the 2008 AGMs



## Summary Financial Statement

This Summary Financial Statement is a summary of information contained in Unilever's financial statements, Report of the Directors and the Report of the Remuneration Committee as set out in the Unilever Annual Report and Accounts 2007.

This statement does not contain sufficient information to allow as full an understanding of the results and state of affairs of Unilever, and of its policies and arrangements concerning Directors' remuneration, as would be provided by the full Annual Report and Accounts.

Copies of the Unilever Annual Report and Accounts 2007, which are produced in both English and Dutch, can be accessed directly or ordered through [www.unilever.com/investorcentre](http://www.unilever.com/investorcentre). Shareholders may also elect to receive the Annual Report and Accounts for all future years by request to the appropriate share registrars. Further details are provided on page 36.

The auditors have issued unqualified audit reports on the full accounts and the auditable part of the Report of the Remuneration Committee. The United Kingdom Companies Act 1985 requires the auditors to report if the accounting records are not properly kept or if the required information and explanations are not received. They are also required to report whether the information in the Report of the Directors is consistent with the audited consolidated accounts. Their reports on the full financial statements and the auditable part of the Report of the Remuneration Committee contain no such statements.

The following Summary Financial Statement should be read together with the narrative set out earlier in this Annual Review which includes, to the extent applicable, any important future developments or post-balance sheet events.

### Reporting currency and exchange rates

The sterling and US dollar figures shown in this document have been provided for the convenience of users and do not form part of the audited accounts of the Unilever Group. These figures have been translated from euros using the following rates of exchange:

	Annual average rates		Year-end rates	
	2007	2006	2007	2006
€1 = £	0.6822	0.6818	0.7342	0.6712
€1 = \$	1.3640	1.2540	1.4710	1.3170

The summary consolidated balance sheet is translated at year-end rates and the summary consolidated income statement and summary consolidated cash flow statement are translated at annual average rates.

### Summary accounting policies

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in accordance with Book 2 of the Civil Code in the Netherlands and the United Kingdom Companies Acts 1985 and 2006. They are also in accordance with IFRS as issued by the International Accounting Standards Board.

The consolidated accounts are prepared under the historical cost convention unless otherwise indicated in the Accounting information and policies as set out in note 1 to the Annual Report and Accounts.

Due to the operational and contractual arrangements in place between NV and PLC, they form a single reporting entity for the purposes of presenting consolidated accounts. Accordingly, the accounts of the Unilever Group are presented by both NV and PLC as their respective consolidated accounts.

### Dividends

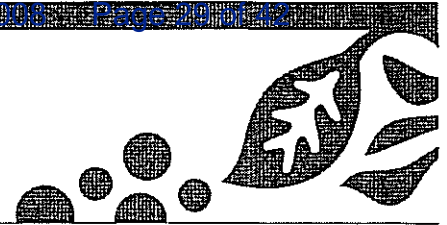
The Boards have resolved to recommend to the Annual General Meetings on 14 May and 15 May 2008 the declaration of final dividends on the ordinary capital of PLC and of NV respectively in respect of 2007 at the rates shown in the tables below.

The dividend information given below, including the comparative amounts for 2006, is expressed in terms of the nominal share values which have applied since 22 May 2006 following the split of NV shares and the consolidation of PLC shares which were approved at the 2006 AGMs.

IFRS requires that dividends approved after the balance sheet date are not reflected in the financial statements for the current reporting period. As a result, the final 2006 dividends are reflected in the financial statements for 2007, and the proposed final 2007 dividends, if approved by shareholders at the AGMs, will be reflected in the financial statements for 2008.

The proposed final dividends will be paid in accordance with the timetable set out on page 37.

NV	2007	2006
Per Ordinary €0.16 share of NV		
Interim	€0.25	€0.23
Final	–	€0.47
Proposed final	€0.50	–
	€0.75	€0.70
One-off	–	€0.26
Total	€0.75	€0.96
PLC	2007	2006
Per Ordinary 3 1/8p share of PLC		
Interim	17.00p	15.62p
Final	–	32.04p
Proposed final	34.11p	–
	51.11p	47.66p
One-off	–	17.66p
Total	51.11p	65.32p



#### Dividends for US shareholders

	Per Ordinary €0.16 share of NV		Per Ordinary 3 1/4p share of PLC	
	2007	2006	2007	2006
Interim	\$0.3612	\$0.2934	\$0.3525	\$0.2983
Final	—	\$0.6363	—	\$0.6357
Proposed final*	\$0.7311	—	\$0.6684	—
	\$1.0923	\$0.9297	\$1.0209	\$0.9340
One-off	—	\$0.3316	—	\$0.3372
Total	\$1.0923	\$1.2613	\$1.0209	\$1.2712

\*Proposed final dividends have been translated into US dollars at the rate of exchange ruling on 6 February 2008 (€1 = \$1.4621, £1 = \$1.9595). These dividends will be paid using the exchange rates ruling on 14 May 2008 for PLC and 15 May 2008 for NV.

#### Unilever website

The maintenance and integrity of the Unilever website are the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the Netherlands and the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Independent auditors' statement to the shareholders of Unilever PLC

We have examined the Summary Financial Statement in euros which comprises the summary consolidated income statement, summary consolidated statement of recognised income and expense, summary consolidated balance sheet and summary consolidated cash flow statement and Summary Report of the Remuneration Committee in euros set out on pages 26 and 27 and 31 to 35.

#### Respective responsibilities of directors and auditors

The Directors are responsible for preparing the Annual Review and Summary Financial Statement in accordance with applicable law.

Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statement within the 2007 Annual Review with the full annual accounts, the Report of the Directors and the Report of the Remuneration Committee, and its compliance with the relevant requirements of section 251 of the United Kingdom Companies Act 1985 and the regulations made thereunder.

We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Statement.

This statement, including the opinion, has been prepared for and only for the shareholders of Unilever PLC as a body in accordance with section 251 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### Basis of opinion

We conducted our work in accordance with Bulletin 1999/6, 'The auditors' statement on the Summary Financial Statement' issued by the Auditing Practices Board for use in the United Kingdom. Our reports on the Unilever Group full annual accounts describe the basis of our audit opinions on those financial statements and the Directors' Remuneration Report.

#### Opinion

In our opinion the Summary Financial Statement is consistent with the full annual accounts, the Report of the Directors and the Report of the Remuneration Committee of Unilever Group for the year ended 31 December 2007 and complies with the applicable requirements of section 251 of the Companies Act 1985, and the regulations made thereunder.

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London, United Kingdom

10 March 2008

#### Independent auditor's report to the shareholders of Unilever N.V.

We have audited whether the Summary Financial Statement of the Unilever Group in euros for the year 2007, as set out on pages 26 and 27, has been derived consistently from the audited consolidated accounts of the Unilever Group for the year 2007. In our auditor's report dated 10 March 2008 we expressed an unqualified opinion on these consolidated accounts. The Directors are responsible for the preparation of the Summary Financial Statement in accordance with the accounting policies as applied in the 2007 full annual accounts of Unilever Group. Our responsibility is to express an opinion on the Summary Financial Statement.

#### Scope

We conducted our audit in accordance with Dutch law. This law requires that we plan and perform the audit to obtain reasonable assurance that the Summary Financial Statement has been derived consistently from the consolidated accounts. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the Summary Financial Statement has been derived consistently, in all material respects, from the consolidated accounts.

#### Emphasis of matter

For a better understanding of the Group's financial position and results and the scope of our audit, we emphasise that the Summary Financial Statement should be read in conjunction with the consolidated accounts, from which the Summary Financial Statement has been derived and our unqualified auditor's report thereon dated 10 March 2008. Our opinion is not qualified in respect of this matter.

Rotterdam, The Netherlands, 10 March 2008  
PricewaterhouseCoopers Accountants N.V.  
Prof Dr J A van Manen RA

## Summary Financial Statement continued

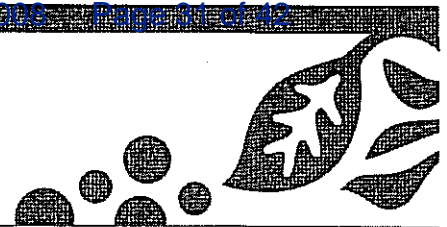
## Summary consolidated income statement for the year ended 31 December

	€ million		£ million		\$ million	
	2007	2006	2007	2006	2007	2006
<b>Continuing operations</b>						
Turnover	40 187	39 642	27 416	27 028	54 815	49 711
Operating profit	5 245	5 408	3 578	3 687	7 155	6 783
After (charging)/crediting:						
Restructuring	(875)	(704)	(597)	(480)	(1 194)	(883)
Business disposals, impairments and other	306	196	209	134	416	246
Gains on US healthcare and UK pensions	—	266	—	181	—	334
Net finance costs	(252)	(721)	(171)	(491)	(345)	(904)
Finance income	147	128	100	87	201	160
Finance costs	(550)	(590)	(374)	(402)	(752)	(741)
Preference shares provision	(7)	(300)	(5)	(204)	(10)	(374)
Pensions and similar obligations	158	41	108	28	216	51
Share of net profit/(loss) of joint ventures	102	78	69	53	139	98
Share of net profit/(loss) of associates	50	36	34	25	69	46
Other income from non-current investments	39	30	27	20	53	36
Profit before taxation	5 184	4 831	3 537	3 294	7 071	6 059
Taxation	(1 128)	(1 146)	(770)	(782)	(1 539)	(1 438)
Net profit from continuing operations	4 056	3 685	2 767	2 512	5 532	4 621
Net profit from discontinued operations	80	1 330	54	907	109	1 668
Net profit	4 136	5 015	2 821	3 419	5 641	6 289
Attributable to:						
Minority interests	248	270	169	185	338	339
Shareholders' equity	3 888	4 745	2 652	3 234	5 303	5 950
<b>Combined earnings per share</b>						
<b>From continuing operations</b>						
Basic earnings per share	€1.32	€1.19	£0.90	£0.81	\$1.81	\$1.49
Diluted earnings per share	€1.28	€1.15	£0.87	£0.78	\$1.75	\$1.44
<b>From discontinued operations</b>						
Basic earnings per share	€0.03	€0.46	£0.02	£0.31	\$0.03	\$0.57
Diluted earnings per share	€0.03	€0.45	£0.02	£0.31	\$0.03	\$0.56
<b>From total operations</b>						
Basic earnings per share	€1.35	€1.65	£0.92	£1.12	\$1.84	\$2.06
Diluted earnings per share	€1.31	€1.60	£0.89	£1.09	\$1.78	\$2.00

## Summary consolidated statement of recognised income and expense for the year ended 31 December

	€ million		£ million		\$ million	
	2007	2006	2007	2006	2007	2006
Fair value gains/(losses) net of tax:						
On cash flow hedges	84	6	57	4	113	8
On available-for-sale financial assets	2	15	1	10	3	19
Actuarial gains/(losses) on pension schemes net of tax	542	853	369	582	739	1 070
Currency retranslation gains/(losses) net of tax	(413)	(335)	470	(379)	1 249	823
Net income/(expense) recognised directly in equity	215	539	897	217	2 104	1 920
Net profit	4 136	5 015	2 821	3 419	5 641	6 289
Total recognised income and expense	4 351	5 554	3 718	3 636	7 745	8 209
Attributable to:						
Minority interests	237	242	184	161	379	346
Shareholders' equity	4 114	5 312	3 534	3 475	7 366	7 863





## Summary consolidated balance sheet as at 31 December

	€ million		£ million		\$ million	
	2007	2006	2007	2006	2007	2006
Goodwill	12 244	12 425	8 989	8 340	18 011	16 363
Intangible assets	4 511	4 781	3 312	3 209	6 636	6 296
Property, plant and equipment	6 284	6 276	4 614	4 213	9 244	8 266
Pension asset for funded schemes in surplus	2 008	1 697	1 474	1 139	2 953	2 235
Deferred tax assets	1 003	1 266	736	849	1 475	1 667
Other non-current assets	1 324	1 126	974	755	1 950	1 484
<b>Total non-current assets</b>	<b>27 374</b>	<b>27 571</b>	<b>20 099</b>	<b>18 505</b>	<b>40 269</b>	<b>36 311</b>
Inventories	3 894	3 796	2 859	2 549	5 728	5 001
Trade and other current receivables	4 194	4 254	3 079	2 854	6 170	5 601
Current tax assets	367	125	269	84	539	164
Cash and cash equivalents	1 098	1 039	806	697	1 615	1 368
Other financial assets	216	273	159	184	318	360
Assets held for sale	159	14	117	9	234	17
<b>Total current assets</b>	<b>9 928</b>	<b>9 501</b>	<b>7 289</b>	<b>6 377</b>	<b>14 604</b>	<b>12 511</b>
Financial liabilities	(4 166)	(4 458)	(3 059)	(2 992)	(6 128)	(5 871)
Trade payables and other current liabilities	(8 017)	(7 838)	(5 886)	(5 261)	(11 793)	(10 323)
Current tax liabilities	(395)	(579)	(289)	(388)	(580)	(761)
Provisions	(968)	(1 009)	(711)	(677)	(1 425)	(1 329)
Liabilities associated with assets held for sale	(13)	—	(9)	—	(19)	—
<b>Total current liabilities</b>	<b>(13 559)</b>	<b>(13 884)</b>	<b>(9 954)</b>	<b>(9 318)</b>	<b>(19 945)</b>	<b>(18 284)</b>
<b>Net current assets/(liabilities)</b>	<b>(3 631)</b>	<b>(4 383)</b>	<b>(2 665)</b>	<b>(2 941)</b>	<b>(5 341)</b>	<b>(5 773)</b>
<b>Total assets less current liabilities</b>	<b>23 743</b>	<b>23 188</b>	<b>17 434</b>	<b>15 564</b>	<b>34 928</b>	<b>30 538</b>
Financial liabilities due after one year	5 483	4 377	4 026	2 938	8 066	5 765
Non-current tax liabilities	233	272	171	182	343	359
Pensions and post-retirement healthcare liabilities:						
Funded schemes in deficit	827	1 379	607	925	1 217	1 816
Unfunded schemes	2 270	3 398	1 667	2 281	3 340	4 475
Provisions	694	826	510	555	1 020	1 088
Deferred tax liabilities	1 213	1 003	891	673	1 785	1 321
Other non-current liabilities	204	261	150	176	300	343
<b>Total non-current liabilities</b>	<b>10 924</b>	<b>11 516</b>	<b>8 022</b>	<b>7 730</b>	<b>16 071</b>	<b>15 167</b>
<b>Shareholders' equity</b>	<b>12 387</b>	<b>11 230</b>	<b>9 095</b>	<b>7 537</b>	<b>18 221</b>	<b>14 789</b>
<b>Minority interests</b>	<b>432</b>	<b>442</b>	<b>317</b>	<b>297</b>	<b>636</b>	<b>582</b>
<b>Total equity</b>	<b>12 819</b>	<b>11 672</b>	<b>9 412</b>	<b>7 834</b>	<b>18 857</b>	<b>15 371</b>
<b>Total capital employed</b>	<b>23 743</b>	<b>23 188</b>	<b>17 434</b>	<b>15 564</b>	<b>34 928</b>	<b>30 538</b>

## Summary consolidated cash flow statement for the year ended 31 December

	€ million		£ million		\$ million	
	2007	2006	2007	2006	2007	2006
Cash flow from operating activities	5 188	5 574	3 540	3 801	7 076	6 990
Income tax paid	(1 312)	(1 063)	(895)	(726)	(1 790)	(1 333)
<b>Net cash flow from operating activities</b>	<b>3 876</b>	<b>4 511</b>	<b>2 645</b>	<b>3 075</b>	<b>5 286</b>	<b>5 657</b>
Interest received	146	125	100	86	200	157
Net capital expenditure	(983)	(934)	(671)	(637)	(1 341)	(1 171)
Acquisitions and disposals	(50)	1 777	(34)	1 211	(68)	2 228
Other investing activities	264	187	179	128	360	235
<b>Net cash flow from/(used in) investing activities</b>	<b>(623)</b>	<b>1 155</b>	<b>(426)</b>	<b>788</b>	<b>(849)</b>	<b>1 449</b>
Dividends paid on ordinary share capital	(2 182)	(2 602)	(1 489)	(1 774)	(2 976)	(3 264)
Interest and preference dividends paid	(552)	(605)	(377)	(412)	(753)	(758)
Change in borrowings and finance leases	1 338	(3 281)	913	(2 238)	1 824	(4 114)
Share buy-back programme	(1 500)	—	(1 024)	—	(2 046)	—
Other movements on treasury stock	442	98	302	67	603	123
Other financing activities	(555)	(182)	(378)	(124)	(758)	(228)
<b>Net cash flow from/(used in) financing activities</b>	<b>(3 009)</b>	<b>(6 572)</b>	<b>(2 053)</b>	<b>(4 481)</b>	<b>(4 106)</b>	<b>(8 241)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>244</b>	<b>(906)</b>	<b>166</b>	<b>(618)</b>	<b>331</b>	<b>(1 135)</b>
Cash and cash equivalents at the beginning of the year	710	1 265	477	868	935	1 498
Effect of foreign exchange rate changes	(53)	351	18	227	58	572
<b>Cash and cash equivalents at the end of the year</b>	<b>901</b>	<b>710</b>	<b>661</b>	<b>477</b>	<b>1 324</b>	<b>935</b>

## Corporate governance

Unilever constantly keeps its corporate governance arrangements under review, and it is our practice to comply, where practicable, with the highest standards of applicable codes and respond to developments appropriately.

### The Unilever Group

Unilever N.V. (NV) and Unilever PLC (PLC) are the two parent companies of the Unilever Group, having separate legal identities and separate stock exchange listings for the shares of NV and PLC, which are not interchangeable. However, together with their group companies, they operate effectively as a single economic entity and constitute a single reporting entity for the purposes of presenting consolidated accounts.

In order to ensure unity of governance and management, they have the same Directors and are linked by a number of co-operation agreements. In particular, the Equalisation Agreement regulates the mutual rights of the two sets of shareholders, including a formula for paying dividends. These features mean that all shareholders, whether of NV or PLC, share in the prosperity of the whole business.

Further details of these agreements are contained in the Annual Report and Accounts 2007 and are also available on [www.unilever.com/investorcentre/corpgovernance](http://www.unilever.com/investorcentre/corpgovernance).

NV and PLC are holding and service companies. Unilever's businesses are carried out by their subsidiaries around the world. Shares in group companies are held ultimately by either NV or PLC, or jointly by the two companies, in varying proportions.

Unilever has divided its business into three regions, The Americas, Asia Africa and Europe, which are responsible for delivering top and bottom line results, implementing proven brand mixes in their region and focusing on building capabilities with customers. The regions are complemented by two category teams, Foods, and Home and Personal Care, which are responsible for the brand development process including innovation, brand positioning and communication and category strategies. In 2008 these teams will be brought together under a single leadership.

### Unilever policies

The implementation of and compliance with our governance structure is facilitated through a business-orientated policy framework. Unilever policies are universally applicable within the Unilever Group. They are mandatory and have been developed to ensure consistency in key areas within our worldwide operations. They cover operational and functional matters, and govern how we run our business, in order to comply with applicable laws and regulations.

Unilever policies include: the Code of Business Principles, the Code of Ethics for Senior Financial Officers, the Compliance Manual for Listing Rules and Disclosure and Transparency Rules (including the Unilever Share Dealing Code), the Risk Management Policy, the Corporate Pensions Policy and the Accounting and Reporting Policy.

The Code of Business Principles is Unilever's statement of values and represents the standard of conduct we require from all of our employees. Our Code of Ethics applies to the senior executive, financial and accounting officers and comprises the standards prescribed by the US Securities and Exchange Commission (SEC). The Code of Business Principles Hotline is a confidential way for employees to submit concerns regarding accounting and auditing issues anonymously and handles all alleged violations of the Code of Business Principles. Copies of the Code of Business Principles, the Code of Ethics and the Share Dealing Code are posted on our website at [www.unilever.com/investorcentre/corpgovernance](http://www.unilever.com/investorcentre/corpgovernance).

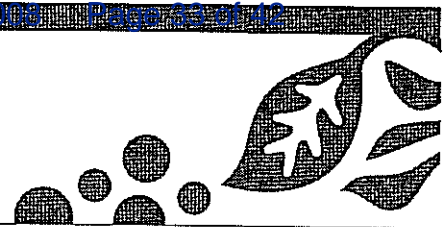
Unilever aims to share these standards and values with its suppliers and contractors through its Business Partner Code which, in turn, is based on its Code of Business Principles. It sets out standards on ten key points of business integrity, labour standards, consumer safety and the environment.

### Developments in corporate governance

Unilever constantly keeps its corporate governance arrangements under review. NV and PLC are subject to various corporate governance requirements and best practice codes, the most relevant being those in the Netherlands, the United Kingdom and the United States. It is Unilever's practice to comply, where practicable, with the highest level of these codes, and respond to developments appropriately.

Following his appointment as a Non-Executive Director at the AGMs in May 2007, Unilever appointed its first independent Non-Executive Chairman, Michael Treschow, in succession to Antony Burgmans who retired as Chairman at those meetings. In September 2007, the office of the Joint Secretaries came to an end, and the position of a single Group Secretary was introduced and adopted by the Boards.

More information on our corporate governance arrangements is set out in 'The Governance of Unilever', the Boards' statement of their internal arrangements, which can be found at [www.unilever.com/investorcentre/corpgovernance](http://www.unilever.com/investorcentre/corpgovernance).



### The Boards

Unilever's Directors are Directors of both NV and PLC. Taking into account their respective roles as Executive and Non-Executive Directors, collectively they are ultimately responsible for the management, general affairs, direction and performance of the business as a whole.

Directors are elected by shareholders at the AGMs of NV and PLC and make themselves fully accountable by submitting themselves for re-election each year. Our nomination procedures are designed to ensure that the same people are the Directors of both companies.

Based on the evaluation of the Boards, its Committees and its individual members, the Nomination Committee recommends to the Boards a list of candidates for nomination at the AGMs of both NV and PLC. In addition, since 2006 shareholders have been able to nominate Directors to this list although to do so they must put a resolution to both the NV and PLC AGMs in line with local requirements for requisitioning a resolution. In order to ensure that the Boards remain identical anyone being elected a Director of NV must also be elected as a Director of PLC and vice versa. If an individual fails to be elected to both companies then they will be unable to take their place on the Boards.

The Boards currently comprise a Chairman, three Executive Directors and ten independent Non-Executive Directors. They meet at least seven times a year to consider material matters for NV, PLC and the Unilever Group. These matters include, for example, results announcements, the Annual Report and Accounts, dividends, corporate strategy, annual plans, risks and controls, major business transactions, and Board appointments and remuneration.

Unilever has a separate Chairman and Group Chief Executive. There is a clear division of responsibilities between their roles.

The Chairman is an independent Non-Executive Director and he is primarily responsible for leadership of the Boards, ensuring their effectiveness and setting their agendas. He is also responsible for ensuring that the Boards receive accurate, timely and clear information.

The Group Chief Executive has been entrusted, within the parameters set out in the Articles of Association of NV and PLC and The Governance of Unilever, with all the Boards' powers, authorities and discretions in relation to the operational management of Unilever.

The Non-Executive Directors share responsibility for the execution of the Boards' duties, taking into account their specific responsibilities, which are essentially supervisory. They, in particular, comprise the principal external presence in the governance of Unilever and provide a strong independent element. Our Non-Executive Directors are chosen for their broad and relevant experience and international outlook, as well as their independence.

Key elements of their role and responsibilities as Non-Executive Directors include strategy, scrutiny of performance, risk management, controls, remuneration, succession planning,

reporting to shareholders, governance and compliance. They also form the Audit Committee which is fully compliant with the applicable rules in the Netherlands, UK and the US, the Nomination Committee, the Remuneration Committee, and in majority the Corporate Responsibility and Reputation Committee. The Non-Executive Directors meet as a group, without the Executive Directors present, under the chairmanship of Mr Treschow. In addition they usually meet before each Board meeting with the Group Chief Executive and the Group Secretary.

### Board induction and training

Upon election, Directors receive a comprehensive Directors' Manual and are briefed thoroughly on their responsibilities and our business. Ongoing training is provided by way of site visits, presentations, circulated updates, teach-ins and agenda items at Board meetings on, among other things, Unilever's business, corporate governance, regulatory developments, and investor relations matters.

In particular, during 2007 the Boards were given a presentation by our external legal advisers on the new directors' duties under the UK Companies Act 2006.

A more detailed corporate governance statement, as well as the annual reports of the Audit, Nomination, Remuneration, and Corporate Responsibility and Reputation Committees, is contained in the Unilever Annual Report and Accounts 2007. This Annual Report, our Code of Business Principles, NV's and PLC's Articles of Association and The Governance of Unilever are available on our website at [www.unilever.com/investorcentre/corporategovernance](http://www.unilever.com/investorcentre/corporategovernance). The Governance of Unilever contains, amongst other things, our rules on 'Independence' of Directors and the terms of reference of the Board Committees.

### Executive Directors' service contracts

The Executive Directors are full-time employees of Unilever. Information about their remuneration can be found on pages 31 to 35 of this Annual Review. More detailed information can be found in the Report of the Remuneration Committee in the Annual Report and Accounts 2007 and on our website at [www.unilever.com/investorcentre](http://www.unilever.com/investorcentre).

The Remuneration Committee takes the view that the entitlement of the Executive Directors to the security of 12 months' notice of termination of employment is in line both with the practice of many comparable companies and the entitlement of other senior executives within Unilever.

It is our policy to set the level of severance payments for Directors at no more than one year's salary, unless the Boards, at the proposal of the Remuneration Committee, find this manifestly unreasonable given circumstances or unless otherwise dictated by applicable law.

The Executive Directors submit themselves for re-election at the AGMs each year. The Nomination Committee carefully considers each nomination for re-appointment.



## Corporate governance continued

The Directors stop holding executive office on ceasing to be Directors. Those appointed prior to 2004 retire at the latest by the age of 62. Appointees from 2004 onwards retire at an age between 60 and 65, as decided by either them or Unilever.

### Compliance

Unilever is subject to the corporate governance requirements in the Netherlands, the UK and, as a foreign private issuer, in the US. All of these requirements were taken into account when structuring our Board arrangements, details of which are set out in The Governance of Unilever.

Details of our compliance with governance requirements in the Netherlands, UK and US are contained in the Annual Report and Accounts 2007 and can also be found on our website at [www.unilever.com/investorcentre](http://www.unilever.com/investorcentre)

In the US, we are fully compliant with the Listing Standards of the New York Stock Exchange (NYSE) applicable to foreign private issuers, and our corporate governance practices do not significantly differ from those followed by US companies listed on the NYSE.

Disclosures in relation to the implementation of the EU Takeover Directive can be found in the Annual Report and Accounts 2007.

### Board changes

The current Executive Directors held office throughout the year, and their biographical details are shown on page 22.

Leon Brittan, Wim Dik, Charles Golden, Byron Grote, David Simon, Jean-Cyril Spinetta, Kees Storm and Jeroen van der Veer were re-elected as Non-Executive Directors of NV and PLC at the 2007 AGMs. In addition, Genevieve Berger, Narayana Murthy and Hixonia Nyasulu were appointed as Non-Executive Directors, and Michael Treschow became our first independent Non-Executive Chairman. Biographical details for the existing Non-Executive Directors are found on pages 22 and 23.

At the 2007 AGMs, Rudy Markham retired as an Executive Director but remained as Chief Financial Officer until his successor, Jim Lawrence, was appointed on 1 September 2007. Lynda Chalker also retired as a Non-Executive Director at the 2007 AGMs, and in September 2007 Jean-Cyril Spinetta stepped down as a Non-Executive Director due to personal reasons.

At the 2008 AGMs all of the current Executive Directors and the Non-Executive Directors will be nominated for re-election with the exception of Kees van der Graaf and Ralph Kugler who will step down from the Boards. In addition, Jim Lawrence will be proposed for election as an Executive Director at the 2008 AGMs following his appointment as Chief Financial Officer in September 2007. Biographical details for Mr Lawrence are contained in the 2008 AGM Notices and on our website at [www.unilever.com/investorcentre](http://www.unilever.com/investorcentre)

## Diversity statement

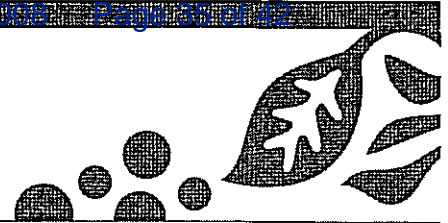
At Unilever, diversity is a key factor in our strategy for creating sustainable growth. It is about having a better mix of people in our organisation. We embrace diversity in all our activities. It means giving full and fair consideration to all people as a way of contributing to the development of all employees and the business, that diversity is a strength, a source of innovation and a key to our success. Diversity also means ensuring all stakeholders have equal access to opportunities.

The commitment to diversity is set out in the 2007 Sustainability Report. It is also reflected in the 2007 Diversity Report, which sets out the diversity strategy and the measures to be taken to ensure that diversity is a critical to our business success and long-term profitability.

Unilever is one of the world's most culturally diverse companies, with 71 nationalities represented among our top 100 employees. The mix of nationalities is also reflected in our products and services.

In 2007, we moved to embed diversity into our business strategy. This means that diversity is now a key part of our business strategy and is reflected in our business plan. As part of the business strategy, we are also developing specific diversity plans that are aligned to the priorities and needs of the business and the organisation.

We continue to carry out equality reviews and to monitor diversity against our objectives, using the 100 Strategy in action tool. Gender remains an important priority for Unilever in the UK.



## Summary remuneration report

During 2007 the Remuneration Committee continued to progress on the five strategic principles that serve as the platform for Unilever's approach to remuneration for the Unilever Executive. These principles not only pertain to our Executive Directors but to all Unilever's leadership levels. They provide the basis for our remuneration structure, as explained in greater detail in the following pages, and direct that pay should be:

- aligned with shareholders' interests;
- robustly linked to performance;
- aligned with strategic priorities;
- market competitive; and
- easy to understand and communicate.

The overriding objective is to ensure that Unilever recruits and retains the best performers, and effectively incentivises them to achieve superior results. It is also our aim to manage the differing elements of total remuneration in a fully integrated manner.

During 2007 these five principles provided the foundation for important changes to the level and structure of Unilever's incentive plans. At our 2007 AGMs shareholders approved the introduction of a new share-based incentive plan which appropriately aligned our programme with our peer company market. The Committee also increased the annual incentive opportunity for Executive Directors while leaving base salary levels unchanged. Together these changes have placed a greater emphasis on performance-based rewards relative to fixed pay and play a critical role in driving improved business results.

During the second half of 2007 Jim Lawrence was appointed as Chief Financial Officer of Unilever. Jim Lawrence's election to the Boards is subject to shareholders' approval at the AGMs in May 2008. However, in the interests of transparency and good governance, a summary of his remuneration arrangements has been included in this year's report.

The year 2007 marked a continuation of the Group's momentum of improved performance. The focus on growth priorities, together with stronger innovation, improved speed to market and better in-market execution, has delivered consistent, and we believe, sustainable growth. Underlying operating margins have improved and a strong start was made in implementing an acceleration to the implementation of the One Unilever reorganisation programme.

Based on the performance over 2007 the annual incentive awards were on average 128% of base salary across the Unilever Executive team. A GPSP (Global Performance Share Plan) long-term incentive award will vest in 2008 for 121% based on the performance period 2005-2007. The minimum vesting level for the performance period 2005-2007 was in 2005 set at 2% per annum average USG (underlying sales growth) and €12.2 billion UFCF (ungeared free cash flow), whereas up to 200% could vest for USG exceeding 4% per annum and with UFCF more than €13.2 billion. Targets were set before the disposal of European Frozen Foods and before the disposal of UCI. The targets have been adjusted by the impacts of these disposals. A TSR (total shareholder return) long-term incentive award will also vest in 2008. The vesting was 50% for the performance period 2005-2007. Unilever ranked 8<sup>th</sup> within the comparator group of peer companies.

Over the last three years to December 2007 Unilever has created more than €20 billion of shareholder value. Looking forward to 2008 we expect the group leadership to deliver improvement against our longer-term objectives and, as a result, our shareholders and our executives will be duly awarded.

In September 2007 Jean-Cyril Spinetta stepped down as a Non-Executive Director for personal reasons. We would like to take this opportunity to thank Jean-Cyril for his contributions to Unilever and our Committee. His wise counsel and experience have been most helpful. We wish him all the best for the future. We are currently working to replace Jean-Cyril with a new recruit for our Committee during 2008. Michael Treschow was also appointed a member of our Committee on 6 February 2008.

**David Simon** Chairman of the Remuneration Committee  
**Jeroen van der Veer**

### Remuneration policy 2007

#### Fixed

Element	Payment	Value determination	Plan objectives/Key drivers
Base salary	Cash	Market median	Attraction and retention of high performing key executives
Pension	Cash	Directors stay in their home country pension fund or an alternative of similar value. Bonus not pensionable	Attraction and retention of high performing key executives

#### Variable

Element	Payment	Indicative levels at face value as % of base pay	Plan objectives/Key drivers
Annual incentive	Cash (75%) Shares (25%)	Executive Directors: target 87% (range 0%-150%) Group Chief Executive: target 113% (range 0%-200%)	Delivery of trading contribution (Unilever's primary internal measure of economic value added) and top-line growth targets  Individual responsibility for key Unilever business objectives
Global Share Incentive Plan	Shares	Grant level for Executive Directors: up to 120% in 2007 (from 2008 onwards up to 180% is allowable)  Grant level for Group Chief Executive: up to 135% (from 2008 onwards up to 200% is allowable)  In exceptional circumstances the Committee may exceed the limits  Vesting level: 0-200% of grant	Shareholder return at upper half of peer group. See page 32  Ungeared free cash flow as the basic driver of Unilever shareholder returns  Top-line revenue growth as essential to Unilever's long-term value creation
Share Matching Plan	Shares	25% of annual incentive is paid in shares: these shares are matched one for one	Alignment with shareholders' interests

## Summary remuneration report continued

A significant proportion of the Executive Directors' total reward is linked to a number of key measures of Group performance to create alignment with the strategy, business priorities and shareholder value.

The total remuneration package for Executive Directors is intended to be competitive in a global market with a strong emphasis on performance related pay.

Internal and external comparisons are made with the reward arrangements for other senior executives within Unilever to support consistent application of Unilever's executive reward policies.

In setting targets for the performance measures, the Committee is guided by what would be required to deliver top third shareholder value. This is reflected in both the short-term and long-term performance targets.

### Base salary

The Remuneration Committee reviews base salary levels annually, taking into account external benchmarks, within the context of Group and individual performance. The Committee decided not to increase the salaries in 2007 in order to place more emphasis on performance related pay and less on fixed pay.

### Annual incentive

The annual incentive arrangement rewards Executive Directors for the delivery of trading contribution (Unilever's primary internal measure of economic value added) and top-line growth targets, as well as for their individual contribution to Unilever's business strategy.

In 2007 the Remuneration Committee reviewed annual incentive levels in light of the strategic remuneration principles. Given the desire to enhance the focus on performance-linked pay and to ensure arrangements are market competitive, the Committee decided to increase annual incentive opportunities. In 2007 the opportunity for Executive Directors was increased to a maximum of 150% of base salary and for the Group Chief Executive up to 200%. Up to 120% of salary will be based on Unilever's business result targets (133.3% for Group Chief Executive) and a maximum of 30% of salary will be based on individual business targets (66.7% for Group Chief Executive). The target levels are around 60% of maximum. Aggressive business targets mean that maximum levels are only payable for exceptional performance.

The performance criteria for the annual incentive are:

trading contribution: this is Unilever's primary internal measure of economic value added. It is calculated from trading result after a deduction for tax and a charge for asset use. Trading result is the internal management measure of profit that is the most consistent with operating profit. Increases in trading contribution reflect the combined impact of top-line growth, margin improvement and capital efficiency gains. It is well aligned with our objective of a progressive improvement in return on invested capital and with shareholder value creation; underlying sales growth: this focuses on the organic growth of Unilever's turnover; and individual business and leadership targets: these are tailored to each individual's responsibilities to deliver certain business objectives supporting the strategy. Individual contribution is assessed against robustly set measures and targets to ensure both objectivity and 'stretch'.

Achievement of targets is measured at the end of the year and the payment takes place the following March. 25% of the annual incentive is delivered to the Executive Directors in the form of shares in NV and PLC, which are matched by a conditional award of 'matching shares', as further described under the section on long-term incentives below.

### Long-term incentives

At the 2007 AGMs shareholders approved the new Unilever Global Share Incentive Plan (GSIP) for employees and Executive Directors.

The new plan supports the Committee's strategic remuneration principles for executives. The number of shares vesting is linked to improvements in Unilever's performance over a three-year period. The plan integrates and replaces two previous long-term plans, the GPSP and TSR Long-Term Incentive Plan, making Unilever's long-term arrangements simpler and easier to understand.

The long-term incentive for Executive Directors now consists of two elements, both of which are delivered in shares:

Global Share Incentive Plan; and  
Share Matching Plan (linked to annual incentive).

Executive Directors are required to demonstrate a significant personal shareholding commitment to Unilever. Within five years of appointment, they are expected to hold shares worth 150% of their annual base salary. This reinforces the link between the executives and other shareholders.

### Global Share Incentive Plan (GSIP)

Under the GSIP annual awards of shares in NV and PLC are granted to Executive Directors. The actual number of shares received at vesting after three years depends on the satisfaction of performance conditions.

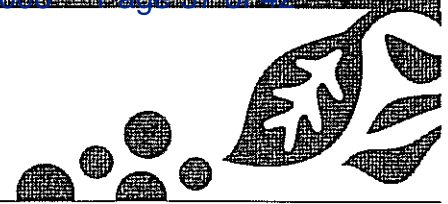
For the 2007 awards, the vesting of shares is conditional on the achievement of three distinct performance conditions over the performance period. The performance period is the three-year period which began on 1 January 2007 and ends on 31 December 2009.

The vesting of 40% of the shares in the award is based on a condition measuring Unilever's relative TSR against a comparator group of 20 other companies over that three-year period. TSR measures the return received by a shareholder, capturing both the increase in share price and the value of dividend income (assuming dividends are reinvested). The TSR results are compared on a single reference currency basis. No shares (in the portion of the award subject to TSR) will vest if Unilever is ranked below position 11 of the TSR ranking table over the three-year period. 50% of the shares will vest if Unilever is ranked 11<sup>th</sup> among the peer group, 100% if ranked 7<sup>th</sup>, and 200% will vest if Unilever is ranked 3<sup>rd</sup> or above in the table. Straight-line vesting will occur between these points.

The TSR peer group is as follows:

Avon	Colgate	Kraft	PepsiCo
Beiersdorf	Danone	Lion	Procter & Gamble
Cadbury Schweppes	Heinz	L'Oréal	Reckitt Benckiser
Clorox	Kao	Nestlé	Sara Lee
Coca-Cola	Kimberly-Clark	Orkla	Shiseido





The vesting of a further 30% of the shares in the award is conditional on achieving an underlying sales growth target.

The vesting of the final 30% of the shares in the award is conditional on achieving an ungeared free cash flow target which is the basic driver of the returns that Unilever is able to generate for shareholders.

Vesting of the business performance-focused parts of an award depends on meeting challenging objectives. There will be no vesting if performance is below the minimum of the range, 25% vesting for achieving minimum and 200% vesting only at or substantially above the top end of the range.

Performance for each condition will be assessed independently from the other conditions over the performance period. Shares will only vest if and to the extent that the respective performance conditions are satisfied. There will be no re-testing.

#### Share Matching Plan (linked to the annual incentive)

The Share Matching Plan enhances the alignment with shareholders' interests and supports the retention of key executives. In addition, the necessity to hold the shares for a minimum period of three years supports the shareholding requirements.

The Executive Directors receive 25% of their annual incentive in the form of NV and PLC shares. These are matched with an equivalent number of matching shares. The matching shares will vest after three years provided that the underlying shares have been retained during this period and the Executive Director has not resigned or been dismissed.

The Remuneration Committee considers that there is no need for further performance conditions on the vesting of the matching shares because the number of shares is directly linked to the annual incentive (which is itself subject to demanding performance conditions). In addition, during the three-year vesting period the share price of NV and PLC will be influenced by the performance of Unilever. This, in turn, will affect the ultimate value of the matching shares on vesting.

#### Executive Directors' pensions

The policy beginning in 2007 is that new Executive Directors will be members of the all-employee pension arrangement in their home country (or an alternative of similar value) and will pay employee contributions at the same rate as other employees in that arrangement.

Executive Directors appointed prior to 2007 have a defined benefit pension of two-thirds of final salary, payable at retirement from age 60.

Annual incentive is not pensionable except for Executive Directors appointed prior to the change of policy in 2005 (Patrick Cescau, Kees van der Graaf and Rudy Markham who retired in 2007) for whom annual incentive is pensionable up to a maximum of 20% of base salary.

#### Other benefits and allowances

Executive Directors enjoy similar benefits to those enjoyed by many other employees of Unilever.

**Serving as Non-Executive on the Board of another company**  
Some of the Executive Directors serve as a Non-Executive on the Boards of other companies. In 2007 Unilever required that all remuneration and fees earned from outside directorships are paid directly to Unilever. The policy has been amended in 2008.

#### Arrangements for Jim Lawrence

Jim Lawrence joined Unilever in September 2007 as Chief Financial Officer. He will be proposed for election to the Boards of NV and PLC at the AGMs in May 2008. Given Unilever's objective of balancing remuneration more clearly towards performance-linked variable pay the agreed package follows this policy direction. His salary in 2007 was set at US\$1 100 000 per annum; the maximum annual incentive in 2007 was 150% of salary and the grant under the GSIP in 2007 was 49 962 each of NV shares and PLC shares. He will be in a pension plan similar to that of Unilever in the US, which is a defined contribution plan. To compensate for the forfeiture of incentives from his former employer, a cash allowance was paid on appointment of US\$1 million (with a pro rata claw back over three years) and restricted shares of 35 565 each of NV and PLC were granted (at award value US\$2.5 million). These will vest for 1/3 after one year of service, 1/3 after two years of service and 1/3 after three years of service.

Jim Lawrence has purchased 295 508 NV shares and 240 000 PLC ADRs.

#### Future developments

The Remuneration Committee continues to monitor trends and changes in the market. It keeps a watching brief on the continuing alignment between Unilever's strategic objectives and the reward policy for Executive Directors.

From 1 January 2008 the UK all-employee pension plan benefit changed for new hires from final salary to a combination of career average earnings (up to a limit of £38 000) and defined contribution above the limit. Existing employees are being given the option to move to the new plan or to remain in the previous plan (subject to certain changes including paying higher individual contributions). The latter affects the UK-based Executive Directors Patrick Cescau and Ralph Kugler.

The performance range for the GSIP 2008 award (performance period 2008-2010) will be in respect of average underlying sales growth 4%-6.4% per annum and for cumulative ungeared free cash flow €10.5 billion-€15.5 billion.

#### Commentary on 2007 remuneration

##### Base salary

In 2007, base salary levels were benchmarked against those paid in other major global companies based in Europe, excluding companies in the financial sector. The Committee decided not to increase base salaries for 2007 and to place greater emphasis on performance-based pay.

##### Annual incentive

The annual incentive awards for 2007 were subject to achievement of underlying sales growth and trading contribution targets in combination with individual key strategic business targets. The Committee measured the results against the targets set and determined the annual incentive amounts for 2007.

## Summary remuneration report continued

### Long-term incentive arrangements

#### Global Share Incentive Plan

The first award was made in 2007 with a performance period 2007-2009. Vesting will be in 2010.

#### Global Performance Share Plan

The performance period for the first awards made under the plan ended on 31 December 2007. Vesting will be in May 2008 (three years after award).

#### TSR Plan

In 2007 the conditional shares awarded in 2004 lapsed. Vesting was based on the TSR performance of Unilever (when ranked against its defined peer group with competitors) over the three-year performance period which ended 31 December 2006. For this period, Unilever was ranked 13<sup>th</sup> in its peer group and therefore no vesting occurred for this award and the shares lapsed in March 2007.

#### Share Matching Plan

In 2007 the matching shares originally granted in 2004 on a conditional basis vested, subject to fulfilment of the retention conditions.

#### Executive Share Options

The grants of executive share options made in 2004 became exercisable as from 2007. As the 2004 grant was based on Unilever's EPS performance, the options at vesting were subject to no further conditions.

### Pensions

The Netherlands all-employee pension plan benefit basis was changed from final salary to career average earnings at 31 December 2006. This had a small impact on the accrued pension of the Netherlands-based Executive Director.

During 2007 individual contributions paid by Executive Directors in the UK were paid through salary sacrifice arrangement.

### Non-Executive Directors

The Non-Executive Directors receive fees from both NV and PLC. No other remuneration is given in respect of their Non-Executive duties from either NV or PLC, such as annual incentives, share-based incentives or pension benefits.

The level of their fees reflects their commitment and contribution to the companies. The Chairman's levels were reviewed and increased with the appointment of Michael Treschow as Chairman in 2007.

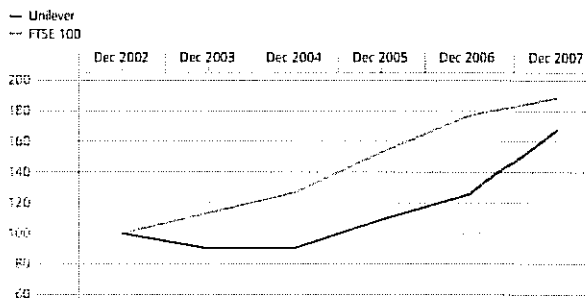
### Additional statutory and other disclosures

Unilever's share performance relative to broad-based equity indices

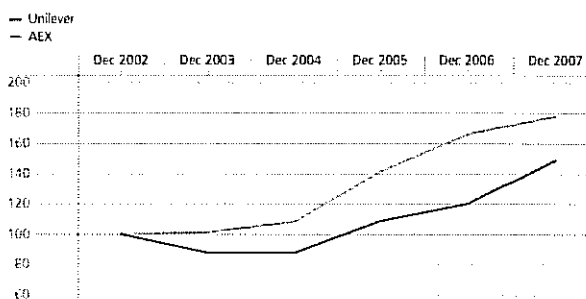
The UK Companies Act 1985 (schedule 7A) requires us to show Unilever's relative share performance, based on total shareholder return, against a holding of shares in a broad-based equity index for the last five years. The Remuneration Committee has decided to show Unilever's performance against two indices, namely the FTSE 100 Index, London, and the Euronext AEX Index, Amsterdam as these are the most generally used indices in the UK and the Netherlands, where we have our principal listings.

### Five-year historical TSR performance

Growth in the value of a hypothetical £100 holding over five years  
FTSE 100 comparison based on 30 trading day average values



Growth in the value of a hypothetical investment over five years  
AEX comparison based on 30 day average values



### Role and responsibilities

The Committee is responsible for making proposals to the Boards on the reward policy for Executive Directors. It is also responsible for setting individual reward packages for Executive Directors and for monitoring and approving all share-based incentive arrangements. The Committee meets at least three times a year and, during 2007, it met on five occasions.

### Structure and role

During 2007 David Simon served as Chairman of the Committee with Jeroen van der Veer and Jean-Cyril Spinetta as Non-Executive members. Jean-Cyril Spinetta stepped down as a Director in September 2007. Michael Treschow was appointed a member of the Committee on 6 February 2008.



#### Advice and assistance

The Committee does not formally retain remuneration consultants. It seeks professional advice from external advisers as and when required. During 2007, the Committee sought advice from Towers Perrin (an independent firm of human resources specialists) on market data, reward trends and performance related pay. Towers Perrin also provides general consultancy advice to Unilever group companies on employee rewards, pension, communications and other human resource matters.

The Group Secretary attends all Committee meetings and advises on matters of corporate governance.

The Group Chief Executive can be invited to attend Committee meetings to provide his own insights to the Committee on business objectives and the individual performance of his direct reports. Naturally, he does not attend when his own remuneration is being discussed.

During 2007 the Non-Executive Chairman could, in his role as Chairman of the Boards, also attend meetings.

#### Remuneration for individual Executive Directors

The following table gives details of the remuneration received in 2007 (including the value of vested share match and options exercised) by each Executive Director individually.

Name and Base Country	Annual Emoluments 2007					Other income arising from long-term incentives and exercise of options in 2007				Grand total 2007	Grand total 2006
	Base salary '000	Allowances and other payments <sup>(a)</sup> '000	Value of benefits <sup>(b)</sup> '000	Bonus <sup>(c)</sup> '000	Total 2007 '000	Total 2006 '000	Option gains '000	Share match '000	TSR/LTIP '000		
Patrick Cescau (UK) <sup>(d)</sup>	€1 426	€129	€47	€2 346	€3 948	€2 727	€50	€63	–	€4 061	€2 940
	[£973]	[£88]	[£32]	[£1 600]	[£2 693]	[£1 860]	[£34]	[£43]		[£2 770]	[£2 005]
Kees van der Graaf (NL)	€798	€27	€9	€988	€1 822	€1 202	–	€60	–	€1 882	€1 287
	[£544]	[£19]	[£6]	[£674]	[£1 243]	[£819]		[£41]		[£1 284]	[£877]
Ralph Kugler (UK)	€861	€56	€11	€1 033	€1 961	€1 313	–	€53	–	€2 014	€1 414
	[£587]	[£38]	[£8]	[£705]	[£1 338]	[£895]		[£36]		[£1 374]	[£964]
Rudy Markham (UK) <sup>(e)</sup>	€406	€9	€15	€498	€928	€1 517	–	€54	–	€982	€2 111
	[£277]	[£6]	[£10]	[£340]	[£633]	[£1 035]		[£37]		[£670]	[£1 440]

(a) Includes: allowance in lieu of company car; blind trust fees compensation; compensation for loss of net income because part of the salary was paid in the Netherlands; entertaining allowance and employers cost for the all-employee savings plan in the Netherlands. All allowances are taxable in the country of residence apart from the entertaining allowance which is currently tax free in the Netherlands.

(b) Includes: benefits for company car; housing (for business use) instead of hotel; medical insurance and private use chauffeur driven cars. Included are benefits that are taxable in the country of residence. In addition, Unilever provides support to Executive Directors in relation to spouse's travel expenses when travelling together on company business. This amount is capped at 5% of base salary and for 2007 totalled €168 559 (£114 991) (including related taxes payable).

(c) Bonus of the year 2007. Includes: the value of both the cash element and the element paid in shares of NV and PLC. In addition to the element of the bonus paid in shares each Executive Director is awarded, on a conditional basis, an equivalent number of matching shares.

(d) Group Chief Executive.

(e) Rudy Markham stepped down as Director at the May 2007 AGMs. He retired from Unilever at 31 October 2007. In the table above are the emoluments for the period January – May 2007. His emoluments for the period June – October were in total: €1 140 000 (£777 708).

Figures have been translated into euros using the following exchange rate: €1 = £0.6822 (2006: €1 = £0.6818).

The Summary Financial Statement was approved by the Boards of Directors on 10 March 2008.

**M Treschow**  
Chairman

**P Cescau**  
Group Chief Executive



## Contact details

### Electronic communications

Shareholders of PLC can elect not to receive paper copies of the Annual Review and other shareholder documents but to be alerted by email to view these documents on our website. To register, or to find out more, please visit [www.unilever.com/shareholderservices](http://www.unilever.com/shareholderservices) and select the e-communication option.

NV shareholders participating in the Shareholders' Communication Channel will be able to appoint a Proxy electronically to vote on their behalf at the AGM in 2008.

### Dividend reinvestment plans

NV and PLC shareholders have the opportunity to reinvest their cash dividends in order to buy additional shares in those companies through its dividend reinvestment plans.

Shareholders in NV, who hold their (depository receipts for) ordinary shares in Euroclear Nederland through an admitted institution of Euronext Amsterdam, can participate in a dividend reinvestment plan arranged and administered by ABN AMRO Bank N.V. Further details of this plan can be found within the 'Dividends' section of our corporate website [www.unilever.com](http://www.unilever.com) or by contacting ABN AMRO Bank N.V. on +31 (0)76 57 99 600.

### Share registration

Netherlands  
N.V. Algemeen Nederlands  
Trustkantoor ANT  
Claude Debussylaan 24  
1082 HD Amsterdam

Telephone +31 (0)20 522 2555  
Telefax +31 (0)20 522 2500  
Website [www.ant-trust.nl](http://www.ant-trust.nl)  
Email [registers@ant-trust.nl](mailto:registers@ant-trust.nl)

### UK

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZY

Telephone +44 (0)870 600 3977  
Telefax +44 (0)870 703 6119  
Website [www.unilever.com/shareholderservices](http://www.unilever.com/shareholderservices)  
Email [web.queries@computershare.co.uk](mailto:web.queries@computershare.co.uk)

### USA

Citibank Shareholder Services  
PO Box 43077  
Providence, RI 02940-3077

Toll free phone (inside US) 888 502 6356  
Toll phone (outside US) +1 781 575 4555  
Website [www.citibank.com/adr](http://www.citibank.com/adr)  
Email [citibank@shareholders-online.com](mailto:citibank@shareholders-online.com)

Shareholders in PLC are able to purchase additional shares at low commission rates through a dividend reinvestment plan that is administered by the registrars, Computershare Investor Services PLC. Further details of this plan can be found within the 'Dividends' section of our corporate website [www.unilever.com](http://www.unilever.com) or by contacting Computershare Investor Services on +44 (0)870 600 3977.

In addition, for holders of NV New York Registry Shares or PLC ADRs, it is possible through Citibank, N.A. to open an International Direct Investment Plan account that takes advantage of reduced brokerage commissions and service costs to purchase additional New York Registry Shares or ADRs, as appropriate, with cash dividends. Further details of the International Direct Investment Plan can be gained by contacting IDI Plan, Citibank, N.A., PO Box 43077, Providence, RI 02940-3077, USA or by calling toll free on 888 502 6356 if you are within the US or on +1 781 575 4555 from outside the US.

### Quarterly results announcements

These are available on our website at [www.unilever.com/financialcentre](http://www.unilever.com/financialcentre) in English, with figures in euros, sterling or US dollars. In Dutch they are available at [www.unilever.nl/financieel/beleggers](http://www.unilever.nl/financieel/beleggers)

### UK capital gains tax

The market value of PLC 3½p ordinary shares at 31 March 1982 would have been 76.84p per share. Since 1982, PLC ordinary shares have been sub-divided on two occasions and consolidated on two occasions. First, with effect on 26 June 1987, the 25p shares were split into five shares of 5p each. Secondly, with effect on 13 October 1997, the 5p shares were split into four shares of 1.25p each. Thirdly, with effect on 10 May 1999, the shares were consolidated by replacing every 112 shares of 1.25p each with 100 shares of 1.4p each. Lastly, with effect on 22 May 2006, the shares were consolidated by replacing every 20 shares of 1.4p each with nine shares of 3½p each.

### Listing details

NV ordinary shares and depository receipts for ordinary shares are listed on Euronext Amsterdam and as New York Registry Shares on the New York Stock Exchange. The ordinary shares, the depository receipts for ordinary shares and the New York Registry Shares are exchangeable on a 1:1 basis. NV (depository receipts for) cumulative preference shares are listed only on Euronext Amsterdam.

PLC ordinary shares are listed on the London Stock Exchange and as American Depositary Receipts on the New York Stock Exchange. Each ADR represents one underlying ordinary PLC share.

Further information relating to our shares is available on our website at [www.unilever.com/investorcentre](http://www.unilever.com/investorcentre)

### Shareholder questionnaire

We would welcome your views on our online Annual Review. A questionnaire in English is available on our website at [www.unilever.com/annualreview](http://www.unilever.com/annualreview)

on the web

[www.unilever.com/investorcentre](http://www.unilever.com/investorcentre)

## Unilever Annual Report 2005 37



**Unilever N.V.**  
Weena 455, PO Box 760  
3000 DK Rotterdam  
The Netherlands  
T +31 (0)10 217 4000  
F +31 (0)10 217 4798

Commercial Register Rotterdam  
Number: 24051830

**Unilever PLC**  
Unilever House  
100 Victoria Embankment  
London EC4Y 0DY  
United Kingdom  
T +44 (0)20 7822 5252  
F +44 (0)20 7822 5951

**Unilever PLC registered office**  
Unilever PLC  
Port Sunlight  
Wirral  
Merseyside CH62 4ZD  
United Kingdom

Registered in England and Wales  
Company Number: 41424

[www.unilever.com](http://www.unilever.com)